



LAGUNA BEACH COUNTY WATER DISTRICT

REQUEST FOR PROPOSAL

Deferred Compensation Consultant

RFP Circulation Date:
January 25, 2022

Proposal Submission Deadline:
March 4, 2022

Laguna Beach County Water District
306 Third Street
Laguna Beach, California 92651

Phone: 949-494-1041
Fax: 949 497-1021
www.lagunabeachwater.com

I. PURPOSE OF THE PROJECT

The Laguna Beach County Water District (District) is issuing this Request for Proposals (“RFP”) to invite the submission of proposals from qualified Investment Consulting Firms (Consultant), to provide consulting services to the District’s 457 Deferred Compensation Plan (Plan) in order to maximize the program’s value to its participants. The District seeks that its 457 Plan maintain cost efficiency, investment diversity, and greater participant value. The goal of this RFP is to select a consultant qualified to advise the District on deferred compensation investments and administration. The scope of consulting services described herein requires specific experience and expertise in the administration of 457 Deferred Compensation Plans for public agencies.

II. PURPOSE OF THE RFP

The purpose of this RFP is to provide a fair evaluation to all candidates and to provide them with the evaluation criteria against which they will be judged. This is an open and competitive process. Proposals received after **5:00 pm, Friday, March 4, 2022** will not be considered.

III. BACKGROUND

The District employs approximately 40 employees, and administers a 457 Plan on their behalf. There are approximately 60 participants with invested assets of approximately \$3,000,000 in the District’s two current deferred compensation plan options (CalPERS and VOYA).

IV. KEY DATES

January 25, 2022 RFP Release Date

February 17, 2022 Final Date for Clarifying Questions

March 4, 2022 Proposal Due Date

March 21-30, 2022 Tentative Interview Date

April 1, 2022 Selection of Consultant

V. SCOPE OF WORK

Laguna Beach County Water District is seeking a consultant to provide the following services:

- 1) Investment Consulting Services
 - a) Review of Deferred Compensation policy statement
 - b) Analyses of investment options and overall portfolio structure
 - c) Comprehensive search for investment manager for each asset class
 - d) Ongoing due diligence for each investment option
 - e) Quarterly performance reports and account review

- 2) Other Investment Related Services
 - a) Total plan fee analysis
 - b) Fiduciary education of committee members
 - c) Overall retirement plan services gap analysis

- 3) Target Date Funds Investment Advisory Services
 - a) Asset allocation maintenance
 - b) Investment manager and product selection

VI. QUALIFICATIONS

Selection of a proposal for contract will be at the sole judgment of the District. Only those respondents meeting the following conditions, however, will be considered:

- Respondent must demonstrate past success with fiduciary consulting services.
- Respondent must provide at least three (3) references from similar services performed for public agency clients within the last two years.

VII. CLARIFICATIONS

Any questions about requirements or any other instruction contained within the RFP or relating to the RFP should be directed to Andrea Miller, Human Resources and Office Administrator. Questions can be made by email at amiller@lbcwd.org. All requests for clarification about any item contained or relating to the RFP should be made in writing and expressed through email.

Any clarifications made in response to questions received will be sent via email to all expected respondents providing contact information and requesting the District do so, as appropriate and as judged necessary at the discretion of the District. Anyone planning to submit a proposal should notify the District contact listed above to convey such intent. The deadline for requesting clarification is February 17, 2022.

VIII. SELECTION PROCESS

The District will select the respondent that in the sole judgment of the District best satisfies the requirements in the RFP and the expectations of the District, and can do so at the best value to the District. Selection may not be the proposal with the lowest cost. Respondents may not contest for any reason the selection of the District.

Proposals shall be consistently evaluated based upon the following criteria:

- 1) Demonstrated competence;
- 2) Experience in performance of comparable engagements;
- 3) Reasonableness of cost;
- 4) Expertise and availability of key personnel;
- 5) Financial stability; and
- 6) Conformance with the terms of this RFP.

The District reserves the right, at its sole discretion, to cancel or modify the RFP in part or in its entirety, accept or reject any and all proposals, waive any irregularities in the proposal process, and award a contract as a whole or part, as may be in the District's best overall interests. The District will not reimburse respondents for any costs incurred in preparation or submission of the proposal. All proposals are made at the sole cost of the Respondent. Proposed fees should not include or consider the costs incurred in preparation of the proposal.

Prior to a final decision, the top respondents may be invited to present their proposals before a review committee. Selected respondents will have the option of presenting proposals via teleconference/web presentation or in person. The selected firm will be required to enter into an agreement for the project, subject to the District's contract policy.

IX. SUBMISSION OF PROPOSAL

Proposals should be received at the below email before **5:00 pm, Friday, March 4, 2022**. Late proposals will not be accepted. Proposals should be emailed. Respondents are to submit their proposal in a PDF formatted document.

Email: amiller@lbcwd.org

The District reserves the right to request additional information from any respondent after submission of proposal. The District reserves the right to change proposal submission requirements and to change the due date at any point during the RFP process, upon notification of all firms and individuals who have expressed to the District the intent to submit a proposal.

By submitting the proposal the Respondent relinquishes all rights to submitted proposals or the ideas contained therein, and the District reserves the right to retain all submitted proposals and to use any ideas in any proposal submitted, regardless of whether or not the proposal is selected. All material submitted in response to the RFP shall become property of the District and will not be returned.

Prior to the execution of the agreement between the District and the Consultant, the contents of each proposal will remain confidential, to the extent permitted by law, and not made available to anyone except those involved in the selection process.

X. MISCELLANEOUS

The consultant will hold the Laguna Beach County Water District, its officers, agents, and employees harmless from liability of any nature or kind on account of use of copyrighted or uncopyrighted composition, patented or unpatented inventions, article or appliance furnished or used under the quotation.

XI. CONTRACT AWARD

The District reserves the right to reject proposals that do not address all the terms and conditions of this RFP. In addition, the District may reject any and all proposals at any time when it is determined to be in the District's best interests not to make the award from among the submitted proposals.

XII. CONTRACT AGREEMENT

The chosen consultant must agree to the terms of the District's Service Agreement (Attachment A) and be ready to sign it after the selection of proposal, or include in your proposal a list of items to which your firm takes exception. All revisions to the District's agreements are subject to approval or rejection by the District.

XII. CONTRACT TERM

The initial contract term will be for five years and shall be effective on or about May 1, 2022 through March 31, 2027, with two (2) two-year renewal options.

Attachment A

LAGUNA BEACH COUNTY WATER DISTRICT
PROFESSIONAL SERVICES AGREEMENT
For
DEFERRED COMPENSATION CONSULTANT

Effective Date: _____, 2022

TERM SHEET

Consultant: [NAME OF COMPANY]
[ADDRESS]
[PHONE NUMBER]
[EMAIL]

Key Personnel: _____, Project Manager

Description: To provide consulting services to Laguna Beach County Water District's Deferred Compensation Plan in order to maximize the program's value to its participant. The scope of services is more particularly described in Exhibit A, attached hereto and incorporated by reference.

Term and Renewal: Five (5) years from Effective Date, with option to renew for two (2) additional two (2) year terms.

Not-To-Exceed: The Total Compensation to Designer shall be [WRITTEN AMOUNT] [(\$NUMERICAL AMOUNT)]

Hourly Rates: [INSERT RATES OR REFER TO A RATE SHEET AS AN EXHIBIT]

Reimbursables: [IDENTIFY COSTS THAT ARE REIMBURSABLE; IF REFERENCING A RATE SHEET CONTAINING THIS INFO, THEN THIS CAN BE DELETED]

Other Rates: [INSERT ANY OTHER PAYMENT TERMS; DELETE IF N/A]

Insurance: Vendor shall comply with the insurance requirements contained in the Standard Terms and Conditions. [INSERT ANY EXCEPTIONS OR MODIFICATIONS]

Special Note(s): [INCLUDE ANY IF APPLICABLE; INCORPORATE GRANT TERMS HERE]

Federal Terms: [INCLUDE IF FEDERAL GRANT FUNDS REQUIRE SPECIAL TERMS OR DELETE IF N/A; ALSO CAN STATE: This project is funded through a federal grant from [SOURCE]. Special requirements from the federal grant source are attached as Exhibit __ and incorporated by this reference.

Exhibits: [LIST EXHIBITS TO AGREEMENT; DELETE IF N/A]
STANDARD TERMS AND CONDITIONS
PROFESSIONAL SERVICES

1. PARTIES AND DATE.

This Agreement is made and entered into as the Effective Date by and between the Laguna Beach County Water District, a county water district organized and operating under the laws of the State of California, with its principal place of business at 306 3rd Street, Laguna Beach, CA 92651 (“District”), and Consultant. District and Consultant are sometimes individually referred to herein as “Party” and collectively as “Parties.”

2. SERVICES.

Consultant shall provide the District with the services described in the Term Sheet.

3. COMPENSATION.

In no event shall the total amount paid for services rendered by Consultant under this Agreement exceed the sum of Total Compensation Amount set forth in the Term Sheet. This amount is to cover all printing and related costs, and the District will not pay any additional fees for printing or other expenses. Periodic payments shall be made within 30 days of receipt of an invoice which includes a detailed description of the work performed. Payments to Consultant for work performed will be made on a monthly billing basis.

4. ADDITIONAL WORK.

If changes in the work seem merited by Consultant or the District, and informal consultations with the other party indicate that a change is warranted, it shall be processed in the following manner: a letter outlining the changes shall be forwarded to the District by Consultant with a statement of estimated changes in fee or time schedule. An amendment to this Agreement shall be prepared by the District and executed by both Parties before performance of such services, or the District will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

5. MAINTENANCE OF RECORDS.

Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the contract period and for four (4) years from the date of final payment under the contract for inspection by District.

6. TERM.

The term of this Agreement shall be as stated in the Term Sheet. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the Project. Consultant shall perform its services in a prompt and timely manner within the term of this Agreement and shall commence performance upon receipt of written notice from the District to proceed (“Notice to Proceed”). Consultant shall perform its services in a prompt and timely manner and shall commence performance upon receipt of written notice from the District to proceed (“Notice to Proceed”). Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules, milestones and deadlines.

7. DELAYS IN PERFORMANCE.

Neither District nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes;

fire; epidemics; pandemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint. Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

8. COMPLIANCE WITH LAW.

Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government, including but not limited to Cal/OSHA requirements. If required, Consultant shall assist the District, as requested, in obtaining and maintaining all permits required of Consultant by federal, state and local regulatory agencies. Consultant is responsible for all costs of clean up and/ or removal of hazardous and toxic substances spilled as a result of his or her services or operations performed under this Agreement.

9. STANDARD OF CARE.

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

10. ASSIGNMENT AND SUBCONSULTANT.

Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the District, which may be withheld for any reason. Any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement. Nothing contained herein shall prevent Consultant from employing independent associates, and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

11. INDEPENDENT CONTRACTOR.

Consultant is retained as an independent contractor and is not an employee of District. No employee or agent of Consultant shall become an employee of District. The work to be performed shall be in accordance with the work described in this Agreement, subject to such directions and amendments from District as herein provided.

12. INSURANCE.

Consultant shall not commence work for the District until it has provided evidence satisfactory to the District it has secured all insurance Designer shall not commence work under this Agreement until it has provided evidence satisfactory to the District that it has secured all insurance required by the Term Sheet as further described in this Section. If the Term Sheet does not identify insurance types or coverage limits, then Consultant shall procure insurance pursuant to this Section. Consultant shall not allow any subconsultant to commence work until it has secured all insurance required under the Term Sheet and this section.

a. Commercial General Liability

(i) Unless modified by the Term Sheet, the Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the District.

(ii) Coverage for Commercial General Liability insurance shall be at least as broad as the following:

(1) Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01) or exact equivalent.

(iii) Commercial General Liability Insurance must include coverage for the following:

- (1) Bodily Injury and Property Damage
- (2) Personal Injury/Advertising Injury
- (3) Premises/Operations Liability
- (4) Products/Completed Operations Liability
- (5) Aggregate Limits that Apply per Project
- (6) Explosion, Collapse and Underground (UCX) exclusion deleted
- (7) Contractual Liability with respect to this Agreement
- (8) Property Damage
- (9) Independent Consultants Coverage

(iv) The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; (3) products/completed operations liability; or (4) contain any other exclusion contrary to the Agreement.

(v) The policy shall give District, its directors, commissioners, officials, officers, employees, agents and District authorized volunteers additional insured status using ISO endorsement forms CG 20 10 10 01 and 20 37 10 01, or endorsements providing the exact same coverage.

(vi) The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by the District, and provided that such deductibles shall not apply to the District as an additional insured.

b. Automobile Liability

(i) Unless modified by the Term Sheet, at all times during the performance of the work under this Agreement, the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to the District.

(ii) Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 00 01 covering automobile liability (Coverage Symbol 1, any auto).

(iii) The policy shall give District, its directors, commissioners, officials, officers, employees, agents and District authorized volunteers additional insured status.

(iv) Subject to written approval by the District, the automobile liability program may utilize deductibles, provided that such deductibles shall not apply to the District as an additional insured, but not a self-insured retention.

c. Workers' Compensation/Employer's Liability

(i) Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation

or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing work under this Agreement.

(ii) To the extent Consultant has employees at any time during the term of this Agreement, at all times during the performance of the work under this Agreement, the Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subconsultants to obtain and maintain, for the period required by this Agreement, workers' compensation coverage of the same type and limits as specified in this section.

d. Professional Liability (Errors and Omissions)

Unless modified by the Term Sheet, at all times during the performance of the work under this Agreement the Consultant shall maintain professional liability or Errors and Omissions insurance appropriate to its profession, in a form and with insurance companies acceptable to the District and in an amount indicated herein. This insurance shall be endorsed to include contractual liability applicable to this Agreement and shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Consultant. "Covered Professional Services" as designated in the policy must specifically include work performed under this Agreement. The policy must "pay on behalf of" the insured and must include a provision establishing the insurer's duty to defend.

e. Minimum Policy Limits Required

(i) Unless modified by the Term Sheet, the following insurance limits are required for the Agreement:

Combined Single Limit

Commercial General Liability	\$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	\$1,000,000 combined single limit
Employer's Liability	\$1,000,000 per accident or disease
Professional Liability	\$1,000,000 per claim and aggregate (errors and omissions)

(ii) Defense costs shall be payable in addition to the limits.

(iii) Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as Additional Insured pursuant to this Agreement.

f. Evidence Required

Prior to execution of the Agreement, the Consultant shall file with the District evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence

shall include original copies of the ISO CG 00 01 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (Acord Form 25-S or equivalent), together with required endorsements. All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

g. Policy Provisions Required

(i) Consultant shall provide the District at least thirty (30) days prior written notice of cancellation of any policy required by this Agreement, except that the Consultant shall provide at least ten (10) days prior written notice of cancellation of any such policy due to non-payment of premium. If any of the required coverage is cancelled or expires during the term of this Agreement, the Consultant shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to the District at least ten (10) days prior to the effective date of cancellation or expiration.

(ii) The Commercial General Liability Policy and Automobile Policy shall each contain a provision stating that Consultant's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by the District or any named insureds shall not be called upon to contribute to any loss.

(iii) The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period A) if the retroactive date is advanced past the effective date of this Agreement; B) if the policy is cancelled or not renewed; or C) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

(iv) All required insurance coverages, except for the professional liability coverage, shall contain or be endorsed to provide a waiver of subrogation in favor of the District, its directors, commissioners, officials, officers, employees, agents, and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

(v) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Further the limits set forth herein shall not be construed to relieve the Consultant from liability in excess of such coverage, nor shall it limit the Consultant's indemnification obligations to the District and shall not preclude the District from taking such other actions available to the District under other provisions of the Agreement or law.

h. Qualifying Insurers

(i) All policies required shall be issued by acceptable insurance companies, as determined by the District, which satisfy the following minimum requirements:

(1) Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and admitted to transact in the business of insurance in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

i. Additional Insurance Provisions

(i) The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by the District, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

(ii) If at any time during the life of the Agreement, any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Consultant or District will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, District may cancel this Agreement.

(iii) The District may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.

(iv) Neither the District nor any of its directors, commissioners, officials, officers, employees, agents or volunteers shall be personally responsible for any liability arising under or by virtue of this Agreement.

j. Subconsultant Insurance Requirements.

Consultant shall not allow any subcontractors or subconsultants to commence work on any subcontract until they have provided evidence satisfactory to the District that they have secured all insurance required under this section. Policies of commercial general liability insurance provided by such subcontractors or subconsultants shall be endorsed to name the District as an additional insured using ISO form CG 20 38 04 13 or an endorsement providing the exact same coverage. If requested by Consultant, District may approve different scopes or minimum limits of insurance for particular subcontractors or subconsultants.

13. INDEMNIFICATION.

a. To the fullest extent permitted by law, Consultant shall defend (with counsel of District's choosing), indemnify and hold the District, its directors, commissioners, officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its directors, commissioners, officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorney's fees and other related costs and expenses. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant, the District, its directors, commissioners, officials, officers, employees, agents, or volunteers.

b. To the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's obligations under the above indemnity shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, but shall not otherwise be reduced. If Consultant's obligations to defend, indemnify, and/or hold harmless arise out of Consultant's performance of "design professional services" (as that term is defined under Civil Code section 2782.8), then upon Consultant obtaining a final adjudication that liability under a claim is caused by the comparative active negligence or willful misconduct of the District, Consultant's obligations shall be reduced in proportion to the established comparative liability of the District and shall not exceed the Consultant's proportionate percentage of fault.

14. CALIFORNIA LABOR CODE REQUIREMENTS.

a. Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects (“Prevailing Wage Laws”). If the services are being performed as part of an applicable “public works” or “maintenance” project, Consultant agrees to fully comply with such Prevailing Wage Laws. Consultant shall defend, indemnify and hold the District, its directors, commissioners, officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon the Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages (Labor Code Sections 1771, 1774 and 1775), employment of apprentices (Labor Code Section 1777.5), certified payroll records (Labor Code Sections 1771.4 and 1776), hours of labor (Labor Code Sections 1813 and 1815) and debarment of contractors and subcontractors (Labor Code Section 1777.1). The requirement to submit certified payroll records directly to the Labor Commissioner under Labor Code section 1771.4 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Section 1771.4.

b. If the services are being performed as part of an applicable “public works” or “maintenance” project, then pursuant to Labor Code Sections 1725.5 and 1771.1, the Consultant and all subconsultants performing such services must be registered with the Department of Industrial Relations. Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants, as applicable.

c. This Agreement may also be subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Consultant’s sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor that affect Consultant’s performance of services, including any delay, shall be Consultant’s sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Consultant caused delay and shall not be compensable by the District. Consultant shall defend, indemnify and hold the District, its directors, commissioners, officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Consultant or any subcontractor.

15. VERIFICATION OF EMPLOYMENT ELIGIBILITY.

By executing this Agreement, Consultant verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time, and shall require all subconsultants and sub-subconsultants to comply with the same.

16. LAWS AND VENUE.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Orange, State of California.

17. TERMINATION OR ABANDONMENT.

a. District has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days written notice to Consultant. In such event, District shall be immediately given title and possession to all original field notes, drawings and specifications, written reports and other documents produced or developed for that portion of the work completed and/or being abandoned. District shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to

termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by District and Consultant of the portion of such task completed but not paid prior to said termination. District shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to District only in the event of substantial failure by District to perform in accordance with the terms of this Agreement through no fault of Consultant.

18. DOCUMENTS.

Except as otherwise provided in "Termination or Abandonment," above, all original field notes, written reports, drawings and specifications and other documents, produced or developed for the Project shall, upon payment in full for the services described in this Agreement, be furnished to and become the property of the District. This Agreement creates a non-exclusive and perpetual license for District to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement, which shall be and remain the property of District, and shall not be used in whole or in substantial part by Consultant on other projects without the District's express written permission.

19. ORGANIZATION.

Consultant shall assign one of its key personnel as a Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of the District.

20. LIMITATION OF AGREEMENT.

This Agreement is limited to and includes only the work included in the Project described above.

21. NOTICE.

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

DISTRICT:

Laguna Beach County Water District
306 3rd Street
Laguna Beach, CA 92651
Attn: District Engineer

CONSULTANT:

As Identified on Term Sheet

and shall be effective upon receipt thereof.

22. THIRD PARTY RIGHTS.

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the District and the Consultant.

23. EQUAL OPPORTUNITY EMPLOYMENT.

Consultant represents that it is an equal opportunity employer and that it shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, sex, age or other interests protected by the State or Federal Constitutions. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

24. ENTIRE AGREEMENT.

This Agreement, with its exhibits, represents the entire understanding of District and Consultant as to those matters contained herein, and supersedes and cancels any prior or contemporaneous oral or written understanding, promises or representations with respect to those matters covered hereunder. Each party acknowledges that no representations, inducements, promises or agreements have been made by any person which are not incorporated herein, and that any other agreements shall be void. This Agreement may not be modified or altered except in writing signed by both Parties hereto. This is an integrated Agreement.

25. SEVERABILITY.

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the provisions unenforceable, invalid or illegal.

26. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon and shall inure to the benefit of the successors in interest, executors, administrators and assigns of each party to this Agreement. However, Consultant shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the prior written consent of District. Any attempted assignment without such consent shall be invalid and void.

27. NON-WAIVER.

None of the provisions of this Agreement shall be considered waived by either party, unless such waiver is specifically specified in writing.

28. TIME OF ESSENCE.

Time is of the essence for each and every provision of this Agreement.

29. DISTRICT'S RIGHT TO EMPLOY OTHER CONSULTANTS.

District reserves its right to employ other consultants, including engineers, in connection with this Project or other projects.

30. PROHIBITED INTERESTS.

Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, 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 a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration

contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, District shall have the right to rescind this Agreement without liability. For the term of this Agreement, no director, commissioner, official, officer or employee of District, during the term of his or her service with District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

[SIGNATURES ON FOLLOWING PAGE]

**SIGNATURE PAGE FOR PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE LAGUNA BEACH COUNTY WATER DISTRICT
AND [***INSERT NAME***]**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

LAGUNA BEACH COUNTY WATER
DISTRICT

[INSERT NAME OF CONSULTANT]

By: _____
[INSERT NAME]
[INSERT TITLE]

By: _____

Its: _____

Printed Name: _____

ATTEST:

By: _____
[INSERT TITLE]

APPROVED AS TO FORM:

By: _____
District Legal Counsel

EXHIBIT A
Scope of Services

EXHIBIT B

Schedule of Charges/Payments

Consultant will invoice District on a monthly cycle. Consultant will include with each invoice a detailed progress report that indicates the amount of budget spent on each task. Consultant will inform District regarding any out-of-scope work being performed by Consultant. This is a time-and-materials contract.

EXHIBIT C
Activity Schedule

EXHIBIT D
Federal Requirements