



CONSENT CALENDAR

City of San Bernardino Request for Council Action

Date: August 7, 2024

To: Honorable Mayor and City Council Members

From: Rochelle Clayton, Acting City Manager; Kenneth Chapa, Director of Economic Development

Department: Economic Development

Subject: **Award of Professional Services Agreement for Consulting Services for the Administration of Special Districts, Assessment Districts, and Community Facility Districts (All Wards)**

Recommendation:

It is recommended that the Mayor and City Council of the City of San Bernardino, California, adopt Resolution No. 2024-179:

1. Approving the award of a Professional Services Agreement with Spicer Consulting Group, LLC, for a three-year term through July 31, 2027, with two (2) twelve (12) month extension options, with the total Agreement amount not to exceed \$1,203,370, and authorize the City Manager to execute all documents to effectuate the Agreement; and
2. Authorize the Director of Finance & Management Services to issue a purchase order in the amount of \$1,203,370.

Executive Summary

The recommended action will award a Professional Services Agreement (PSA) to Spicer Consulting Group, LLC, for a three-year period, with a total Agreement amount not to exceed \$1,203,370, for consulting services related to the establishment, administration, apportionment, and delinquency monitoring of the special assessment districts and community facility districts.

Background

The City of San Bernardino is currently responsible for administering and managing 69 active Maintenance Assessment Districts (MADs). Property owners included in each district financially contribute by way of special assessments that are levied annually. The assessments generated within a specific geographical benefit area may only be spent to support improvements within that specific district. The assessment of an annual fee upon properties within each District provides the revenue to offset the cost

of maintenance of the public improvements necessary to serve the development.

The City has transitioned to the implementation of Community Facilities Districts (CFDs) which allow for the expanded financing of public improvements and services including, but not limited to, landscaping, lighting, streets, sewer systems and other basic infrastructure improvements, police protection, graffiti removal, schools, parks and trails. CFDs have the ability to fund the much-needed ongoing maintenance demands that typically accompany a new development. The City currently manages 2 services CFDs (2019-1 / Maintenance and 2018-1 / Safety) and 4 Facility CFDs (3 bonded, 1 not bonded).

On March 26, 2024, the City of San Bernardino released a Request for Proposal related to the Establishment, Administration, Apportionment, and Delinquency Monitoring of the Special Assessment Districts, and Community Facility Districts within the City of San Bernardino (RFP# F-24-100). The review committee received and processed all qualified proposals and ultimately awarded the Agreement to Spicer Consulting Group, LLC.

Discussion

Spicer Consulting Group, LLC, possesses a tremendous amount of highly specialized experience in administering these types of special financing districts for cities, providing the support for the much-needed revenues that these districts provide for ongoing maintenance services. The City has experienced a significant increase in new Annexation and Assessment District formation requests during the past three years. The previous Agreement with Spicer Consulting Group, LLC, lapsed on June 30, 2024.

Staff is recommending that the Mayor and City Council award a Professional Services Agreement with Spicer Consulting Group, LLC, for a three-year term through July 31, 2027, with two (2) twelve (12) month extension options, with the total Agreement amount not to exceed \$1,203,370, and authorize the City Manager to execute all documents to effectuate the Agreement. Additionally, Staff is asking that the Mayor and City Council authorize the Director of Finance & Management Services to issue a purchase order in the amount of \$1,203,370.

2021-2025 Strategic Targets and Goals

The award of the Agreement with Spicer Consulting Group aligns with Key Target No. 1: Improved Operational and Financial Capacity. The proposed consulting services will assist the City with forming, levying, and maintaining the special districts that offset the ongoing maintenance costs that would otherwise impact the General Fund.

Fiscal Impact

There is no General Fund impact associated with this action. Funding for the establishment, administration, apportionment, and delinquency monitoring of the Special Assessment Districts, and Community Facility Districts are recovered through the administrative costs assessed to each district during the annual levy process.

Annexations, new formations, and bond issuance fees are recovered directly through developer or applicant deposits.

Conclusion

It is recommended that the Mayor and City Council of the City of San Bernardino, California, adopt Resolution No. 2024-179:

1. Approving the award of a Professional Services Agreement with Spicer Consulting Group, LLC, for a three-year term through July 31, 2027, with two (2) twelve (12) month extension options, with the total Agreement amount not to exceed \$1,203,370, and authorize the City Manager to execute all documents to effectuate the Agreement; and
2. Authorize the Director of Finance & Management Services to issue a purchase order in the amount of \$1,203,370.

Attachments

Attachment 1 - Resolution No. 2024-179

Attachment 2 – RFP# F-24-1000

Attachment 3 – PSA, Spicer Consulting Group, LLC

Ward:

All Wards

Synopsis of Previous Council Actions:

None