



**STAFF REPORT**

Meeting Date: March 24, 2004

**Agenda Item 10**

**TO:** LAFCO Commissioners  
**FROM:** Everett Millais, Executive Officer  
**SUBJECT:** Contract with Joyce Crosthwaite for Municipal Service Reviews

**RECOMMENDATION:**

Approve a contract with Joyce Crosthwaite to conduct municipal service reviews for an amount not to exceed \$65,000.

**DISCUSSION:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act requires each LAFCO to review and update as necessary, the sphere of influence for each agency every five years. Prior to or in conjunction with sphere of influence updates, LAFCOs are required to conduct municipal service reviews and make written determinations for nine factors as specified in Government Code Section 56430.

In order to meet these mandates the Commission adopted, and on January 21, 2004 updated and revised, a work plan for municipal service reviews and sphere of influence updates. Phase 1 of the municipal service reviews relating to water and wastewater services have been completed. Pursuant to the adopted work plan the second phase of municipal service reviews involves the following special districts:

- Bardsdale Cemetery District
- Bell Canyon Community Services District
- Casitas Municipal Water District (recreation services only)

**COMMISSIONERS AND STAFF**

<b>COUNTY:</b> Kathy Long Linda Parks <i>Alternate:</i> Steve Bennett	<b>CITY:</b> Evaristo Barajas, Vice Chair Don Waunch <i>Alternate:</i> John Zaragoza	<b>SPECIAL DISTRICT:</b> Jack Curtis Dick Richardson <i>Alternate:</i> Ted Grandsen	<b>PUBLIC:</b> Louis Cunningham, Chair <i>Alternate:</i> Kenneth M. Hess
<b>EXECUTIVE OFFICER:</b> Everett Millais (805) 654-2575	<b>SENIOR PLANNER:</b> Hollee Brunsky (805) 654-2866	<b>CLERK:</b> Debbie Schubert (805) 654-2576	<b>LEGAL COUNSEL:</b> Noel Klebaum

Channel Islands Beach Community Services District (solid waste services only)  
Conejo Recreation and Park District  
El Rancho Simi Cemetery District  
Oxnard Drainage District No. 1  
Oxnard Drainage District No. 2  
Piru Public Cemetery District  
Pleasant Valley Recreation and Park District  
Rancho Simi Recreation and Park District  
United Water Conservation District (recreation services only)  
Ventura County Service Area No. 3  
Ventura County Service Area No. 14  
Ventura County Service Area No. 33  
Ventura Regional Sanitation District (solid waste services only)

Joyce Crosthwaite was the Project Manager for Project Design Consultants, the consulting firm hired by the Ventura LAFCO to conduct the first phase of municipal service reviews. Ms. Crosthwaite is no longer affiliated with Project Design Consultants, but is continuing to serve as a consultant to several LAFCOs for municipal service review work. She is familiar with the municipal service review process, state law relating to the responsibilities, powers and authorities of Local Agency Formation Commissions, the processes and procedures of the Ventura LAFCO, and the governmental structure of cities and special districts in Ventura County. She also helped to develop the questionnaire and database format being used by the Ventura LAFCO for municipal service review work. Because of her expertise, her successful first phase work on service reviews and the fact that this second phase of municipal service review work will build on the first phase work, a sole source contract with Ms. Crosthwaite is being recommended.

The contract provides that Ms. Crosthwaite may use Andrew Belknap of Management Partners, Inc. as a sub-contractor for economic and financial analysis. Management Partners, Inc. and Mr. Belknap, the former city manager of the City of Ojai, have done economic and financial consulting work for the County of Ventura and several cities in the County. His expertise and familiarity with local governments in Ventura County will be of benefit in successfully completing this phase of the municipal service review work.

The recommended contract has been reviewed by legal counsel, and is in the same format as similar contracts used by the County of Ventura.

Attachment:  
Professional Service Contract

**PROFESSIONAL SERVICES CONTRACT  
FOR MUNICIPAL SERVICE REVIEWS**

CONTRACT

This contract entered into this 24th day of March 2004, by and between the Ventura Local Agency Formation Commission (LAFCO) and Joyce Crosthwaite, an individual, ("Contractor").

WITNESSETH

WHEREAS, LAFCO has the authority to enter into contracts for personnel and facilities; and

WHEREAS, LAFCO is responsible for establishing, reviewing and updating as necessary the spheres of influence for 59 public agencies in Ventura County consisting of 10 cities and 49 special districts; and

WHEREAS, prior to or in conjunction with any sphere of influence update LAFCO must conduct municipal service reviews pursuant to California Government Code Section 56430; and

WHEREAS, LAFCO has adopted a work plan consisting of three phases for the municipal service review and sphere of influence update process; and

WHEREAS, the first phase of the municipal service review and sphere of influence update process work plan has been completed and LAFCO desires to complete the second phase of the work plan as expeditiously as possible; and

WHEREAS, Joyce Crosthwaite served as the Project Manager for Project Design Consultants, the consulting firm hired by LAFCO to conduct the first phase of municipal service reviews in accordance with the approved LAFCO work plan; and

WHEREAS, Ms. Crosthwaite is no longer employed by Project Design Consultants, but is familiar with the municipal service review process, state law relating to the responsibilities, powers and authorities of Local Agency Formation Commissions, the processes and procedures of LAFCO, and the governmental structure of cities and special districts in Ventura County; and

WHEREAS, Ms. Crosthwaite is uniquely qualified by her education, experience, and practice to continue to conduct municipal service reviews for LAFCO and is available to perform the work specified in this contract within the time frames specified; and

WHEREAS, it is necessary and desirable that Contractor be engaged by LAFCO for the purpose of performing services hereinafter described:

NOW, THEREFORE, IT IS HEREBY AGREED by the parties as follows:

**1. SERVICES TO BE PERFORMED BY CONTRACTOR**

In consideration of the payments hereinafter set forth, Contractor will perform services for LAFCO in accordance with the terms, conditions and specifications set forth herein and in Exhibit A attached hereto and by this reference made a part hereof.

**Ventura Local Agency Formation Commission  
Professional Services Contract for Municipal Service Reviews**

**2. PAYMENTS**

In consideration of the services rendered in accordance with all terms, conditions and specifications set forth herein and in Exhibit A, LAFCO will make payment to Contractor in the manner specified in Exhibit A.

**3. INDEPENDENT CONTRACTOR**

No relationship of employer and employee is created by this contract, it being understood that Contractor is an independent contractor, and neither Contractor nor any of the persons performing services for Contractor pursuant to this contract, whether said person be member, partner, employee, subcontractor, or otherwise, will have any claim under this contract or otherwise against LAFCO for sick leave, vacation pay, retirement benefits, social security, workers' compensation, disability, unemployment insurance benefits, or employee benefits of any kind.

It is further understood and agreed by the parties hereto that, except as provided in this contract, Contractor in the performance of her obligation hereunder is subject to the control or direction of LAFCO merely as to the result to be accomplished by the services hereunder agreed to be rendered and performed and not as to the means and methods for accomplishing the results.

If, in the performance of this contract, any third persons are employed by Contractor, such persons will be entirely and exclusively under direction, supervision and control of Contractor. All terms of employment, including hours, wages, working conditions, discipline, hiring and discharging or any other terms of employment or requirements of law, will be determined by Contractor, and LAFCO will have no right or authority over such persons or the terms of such employment, except as provided in this contract.

The Contractor will comply with all of the provisions of the Worker's Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Labor Code and all amendments, thereto; and all similar State and Federal acts or laws applicable; and will indemnify and hold harmless the Ventura Local Agency Formation Commission from and against all claims, demands, payments, suits, actions, proceedings and judgments of every nature and description, including attorney's fees and costs, presented, brought or recovered against the Ventura Local Agency Formation Commission, for or on account of any liability under any of said Acts which may be incurred by reasons of any work to be performed under this Contract.

**4. NON-ASSIGNABILITY**

Contractor will not assign this Contract or any portion thereof, to a third party without the prior written consent of LAFCO, and any attempted assignment without such prior written consent will be null and void and will be cause, at LAFCO's sole and absolute discretion, for immediate termination of this Contract.

The prohibition on assignment notwithstanding, Contractor may subcontract with Management Partners, Inc., with Andrew Belknap as the subcontractor project manager, for economic and financial analysis. The Contractor will not assign others to work in her place, and may not involve any subcontractor other than Management Partners, Inc., with Andrew Belknap as the subcontractor project manager, without written permission from the Ventura Local Agency Formation Commission Executive Officer. Any substitution must be with a person or firm of commensurate experience and knowledge.

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Professional Services Contract for Municipal Service Reviews**

**5. TERM**

This Contract will be in effect from March 24, 2004 through December 31, 2004, subject to all the terms and conditions set forth herein. Time is of the essence in the performance of this contract.

Continuation of the contract in the 2004-05 fiscal year is subject to the appropriation of funds for such purpose by the Ventura Local Agency Formation Commission. If funds to effect such continued payment are not appropriated, LAFCO may terminate this project in accordance with section 6, below, and Contractor will relieve LAFCO of any further obligation therefore.

**6. TERMINATION**

LAFCO may terminate this contract at any time for any reason by providing 10 days written notice to Contractor. In the event of termination under this paragraph, Contractor will be paid for all work provided to the date of termination, as long as such work meets the terms and conditions of this contract. On completion or termination of this contract, LAFCO will be entitled to immediate possession of and Contractor will furnish on request, all computations, plans, correspondence and other pertinent data gathered or computed by Contractor for this particular Contract prior to any termination. Contractor may retain copies of said original documents for Contractor's files. Contractor hereby expressly waives any and all claims for damages or compensation arising under this Contract except as set forth in this paragraph in the event of such termination.

This right of termination belonging to LAFCO may be exercised without prejudice to any other remedy, which it may be entitled at law or under this contract.

**7. DEFAULT**

If Contractor defaults in the performance of any term or condition of this contract, Contractor must cure that default by a satisfactory performance within 10 days after service upon Contractor of written notice of the default. If Contractor fails to cure the default within that time, then LAFCO may terminate this contract without further notice.

The foregoing requirement for written notice and opportunity to cure does not apply with respect to paragraph 4 above.

**8. INDEMNIFICATION, HOLD HARMLESS AND WAIVER OF SUBROGATION**

All activities and/or work covered by this contract will be at the risk of Contractor alone. Contractor agrees to defend, indemnify, and save harmless the Ventura Local Agency Formation Commission, including all of its officers, employees, agents and volunteers, against any and all claims, lawsuits, judgments, debts, demands and liability, whether against Contractor, LAFCO or others, including without limitation, those arising from injuries or death of persons and/or for damages to property, arising directly or indirectly out of the obligations herein described or undertaken or out of operations conducted or subsidized in whole or in part by Contractor, save and except claims or litigation arising through the sole negligence or wrongdoing and/or sole willful misconduct of LAFCO. Contractor agrees to waive all rights of subrogation against LAFCO for losses arising directly or indirectly from the activities and/or work covered by this contract.

**9. INSURANCE PROVISIONS**

**Ventura Local Agency Formation Commission**  
**Professional Services Contract for Municipal Service Reviews**

- A) Contractor, at its sole cost and expense, will obtain and maintain in full force during the term of this contract the following types of insurance:
- 1) Commercial General Liability "occurrence" coverage in the minimum amount of \$1,000,000 combined single limit (CSL) bodily injury & property damage each occurrence and \$2,000,000 aggregate, including personal injury, broad form property damage, products/completed operations, broad form blanket contractual and \$50,000 fire legal liability.
  - 2) Commercial Automobile Liability coverage in the minimum amount of \$1,000,000 CSL bodily injury & property damage, including owned, non-owned, and hired automobiles. Also to include Uninsured/Underinsured Motorists coverage in the minimum amount of \$100,000 when there are owned vehicles.
- Contractor must have on file evidence of auto insurance in the minimum amount of \$100,000 CSL bodily injury & property damage for all employees and volunteers associated with the contract.
- B) All insurance required will be primary coverage as respects LAFCO and any insurance or self-insurance maintained by LAFCO will be excess of Contractor's insurance coverage and will not contribute to it.
- C) LAFCO is to be notified immediately if any aggregate insurance limit is exceeded. Additional coverage must be purchased to meet requirements.
- D) The Ventura Local Agency Formation, Its Officers, Employees, Agents, and Volunteers are to be named as Additional Insured as respects work done by Contractor under the terms of this contract on all policies required (except Workers' Compensation).
- E) Contractor agrees to waive all rights of subrogation against the Ventura Local Agency Formation Commission, its Officers, Employees, Agents and Volunteers for losses arising from work performed by Contractor under the terms of this contract.
- F) Policies will not be canceled, non-renewed or reduced in scope of coverage until after sixty (60) days written notice has been given to the Ventura Local Agency Formation Commission.
- G) Contractor agrees to provide LAFCO with the following insurance documents on or before the effective date of this contract:
1. Certificates of Insurance for all required coverage.
  2. Additional Insured endorsements.
  3. Waiver of Subrogation endorsements (a.k.a.: Waiver of Transfer Rights of Recovery Against Others, Waiver of Our Right to Recover from Others)

Failure to provide these documents will be grounds for immediate termination or suspension of this contract.

**10. NON-DISCRIMINATION**

**Ventura Local Agency Formation Commission  
Professional Services Contract for Municipal Service Reviews**

A. General.

No person will, on the grounds of race, color, national origin, religious affiliation or non-affiliation, sex, age, handicap, disability, or political affiliation, be excluded from participation in, be denied the benefits, or be subjected to discrimination under this Contract.

B. Employment.

Contractor will insure equal employment opportunity based on objective standards of recruitment, selection, promotion, classification, compensation, performance evaluations, and management relations, for all employees under this Contract. Contractor's personnel policies will be made available to LAFCO upon request.

**11. INVESTIGATION AND RESEARCH**

Contractor by investigation and research has acquired reasonable knowledge of all conditions affecting the work to be done and labor and material needed, and the execution of this Contract is to be based upon such investigation and research, and not upon any representation made by LAFCO or any of its officers, agents or employees, except as provided herein.

**12. CONTRACT MONITORING**

LAFCO will have the right to review the work being performed by the Contractor under this Contract at any time during Contractor's usual working hours. Review, checking, approval or other action by LAFCO will not relieve Contractor of Contractor's responsibility for the thoroughness of the services to be provided hereunder. This Contract will be administered by the LAFCO Executive Officer or his/her authorized representative.

**13. ADDENDA**

LAFCO may from time to time require changes in the scope of the services required hereunder. Such changes, including any increase or decrease in the amount of Contractor's compensation which are mutually agreed upon by and between LAFCO and Contractor will be effective when incorporated in written amendments to this Contract.

**14. CONFLICT OF INTEREST**

Contractor covenants that Contractor presently has no interest, including, but not limited to, other projects or independent contracts, and will not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. Contractor further covenants that in the performance of this Contract no person having such interest will be employed or retained by Contractor under this contract.

**15. CONFIDENTIALITY**

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Any reports, information, data, statistics, forms, procedures, systems, studies and any other communication or form of knowledge given to or prepared or assembled by Contractor under this Contract which LAFCO requests in writing to be kept confidential, will not be made available to any individual or organization by Contractor without the prior written approval of LAFCO except as authorized by law.

**16. NOTICES**

All notices required under this Contract will be made in writing and addressed or delivered as follows:

TO LAFCO:                   Ventura LAFCO  
                                  800 South Victoria Avenue  
                                  Ventura, CA 93009-1850

TO CONTRACTOR-       Joyce Crosthwaite  
                                  P.O. Box 1  
                                  1842 Westminster Drive  
                                  Cardiff, CA 92007

Either party may, by giving written notice in accordance with this paragraph, change the names or addresses of the persons or departments designated for receipt of future notices. When addressed in accordance with this paragraph and deposited in the United States mail, postage prepaid, notices will be deemed given on the third day following such deposit in the United States mail. In all other instances, notices will be deemed given at the time of actual delivery.

**17. MERGER CLAUSE**

This Contract supersedes any and all other contracts, either oral or written, between Contractor and LAFCO, with respect to the subject of this contract. This contract contains all of the covenants and contracts between the parties with respect to the services required hereunder. Contractor acknowledges that no representations, inducements, promises or contracts have been made by or on behalf of LAFCO except those covenants and contracts embodied in this contract. No contract, statement, or promise not contained in this contract will be valid or binding.

**18. GOVERNING LAW**

The validity of this contract and any of its terms or provisions, as well as the rights and duties of the parties under this contract, will be construed pursuant to and in accordance with the laws of the State of California.

**19. SEVERABILITY OF CONTRACT**

If any term of this contract is held by a court of competent jurisdiction to be void or unenforceable, the remainder of the contract terms will remain in full force and effect and will not be affected.

**20. CUMULATIVE REMEDIES**

**Ventura Local Agency Formation Commission  
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The exercise or failure to exercise of legal rights and remedies by the County of Ventura in the event of any default or breach hereunder will not constitute a waiver or forfeiture of any other rights and remedies, and will be without prejudice to the enforcement of any other right or remedy available by law or authorized by this contract.

**21. COMPLIANCE WITH LAWS**

Each party to this contract will comply with all applicable laws.

**22. CONSTRUCTION OF COVENANTS AND CONDITIONS**

Each term and each provision of this contract will be construed to be both a covenant and a condition.

IN WITNESS WHEREOF the parties hereto have executed this Contract.

LAFCO

CONTRACTOR

by: \_\_\_\_\_  
Authorized Signature

by: \_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed name  
Chair, Ventura Local Agency  
Formation Commission

\_\_\_\_\_  
Printed name  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Tax Identification #

# Ventura Local Agency Formation Commission Professional Services Contract for Municipal Service Reviews

## EXHIBIT "A"

### CONTRACTOR RESPONSIBILITIES

#### 1. General Description

Contractor shall be responsible for preparing municipal service reviews in compliance with California Government Code §56430 for all services, except as noted, for the following 16 special districts in Ventura County:

Bardsdale Cemetery District  
Bell Canyon Community Services District  
Casitas Municipal Water District (recreation services only)  
Channel Islands Beach Community Services District (solid waste services only)  
Conejo Recreation and Park District  
El Rancho Simi Cemetery District  
Oxnard Drainage District No. 1  
Oxnard Drainage District No. 2  
Piru Public Cemetery District  
Pleasant Valley Recreation and Park District  
Rancho Simi Recreation and Park District  
United Water Conservation District (recreation services only)  
Ventura County Service Area No. 3  
Ventura County Service Area No. 14  
Ventura County Service Area No. 33  
Ventura Regional Sanitation District (solid waste services only)

In completing all tasks and work products Contractor recognizes that it is the express desire of LAFCO to:

- Conduct the service review process in a collaborative fashion with opportunities for input and review by each of the agencies being reviewed;
- Encourage public participation in the service review process;
- Develop and utilize a survey instrument that can easily be used for entering information into a Microsoft Access database;
- Have all public work products be readily accessible to, and easily understandable by, the general public;
- Have the end work products be in a "stand alone" format for each agency and in a format that facilitates comparison between agencies;
- Have the end work products be of meaningful use to all agencies involved in the service review process.

#### 2. Tasks

##### TASK 1 – Preparation

In consultation with LAFCO staff and based on questions/issues contained in the Final Service Review Guidelines prepared by the Governor's Office of Planning and Research prepare a standardized survey instrument(s) to gather information necessary to conduct service reviews for the service functions of the 16 special districts noted above. The survey instrument must address each of the 9 factors in Government Code §56430.

##### TASK 2 – Information Collection and Analysis

Once the survey instrument has been distributed to each agency:

- Serve as a resource to each agency to respond to questions about the survey instrument;

## **Ventura Local Agency Formation Commission Professional Services Contract for Municipal Service Reviews**

- Meet as necessary with the appropriate representative(s) of each agency to ensure that all necessary information will be collected in a consistent format;
- Work with each agency to collect relevant source documents for each agency, including applicable statutes, service area maps, master service plans, best practices plans, audits, budgets, regulatory and operating permits, and other information relevant to completing municipal service reviews;
- Attend public meetings as necessary based on consultation with LAFCO staff to observe actual operational characteristics of the District Boards of Directors;

Once the completed surveys and all relevant source documents have been collected, review all information for completeness and work with each district as necessary to ensure that all needed information is complete.

### **TASK 3 – Administrative Draft Reports**

Prepare administrative draft municipal service review reports for each special district for LAFCO and special district staff review. The administrative draft municipal service review reports should, at minimum, include:

- A summary description about the agency, including applicable maps;
- A discussion and analysis of all relevant information from Task 2;
- Recommended written determinations for each of the 9 factors in Government Code §56430;
- Recommendations for sphere of influence update actions and, for special districts, any recommendations for mergers, consolidations or dissolutions.

### **TASK 4 - Final Draft Reports**

Based on the input received about the administrative draft reports make all necessary and appropriate revisions and prepare final draft municipal service review reports for each special district. In conjunction with LAFCO staff distribute the final draft municipal service review reports to each affected special district, LAFCO and the general public, and present the final draft reports to LAFCO for action at one or more public hearings.

### **TASK 5 – Final Reports**

Based on information and input received at the LAFCO public hearing(s) about the final draft service review reports, prepare final municipal service review reports for each special district.

### **3. Contractor Work Products**

For each task and for every document Contractor shall deliver to LAFCO, 1 camera-ready original and one Microsoft Word (Office 2000 Professional) formatted version on a PC readable compact disk.

### **LAFCO RESPONSIBILITIES**

LAFCO will be responsible for all copying, printing and distribution of work products, all mapping and all database development, database maintenance and data entry pertaining to this contract.

### **COMPENSATION SCHEDULE**

#### **1. Billing**

**Ventura Local Agency Formation Commission  
Professional Services Contract for Municipal Service Reviews**

Within ten (10) days after the end of each calendar month in which services are performed or expenses are incurred under this Agreement, Contractor will submit an invoice to LAFCO. The invoice submitted shall reference this Contract and show the hours worked by each person who performed services during the billing period, the hourly rate of pay for each person who performed services, the dates on which the services were performed, a description of the services performed, actual out-of-pocket expenses incurred in the performance of the services, and such other information as the LAFCO Executive Officer may reasonably require.

2. Time of Payment

LAFCO will make payment to Contractor within thirty (30) days after submittal of Contractor's invoice and approval.

3. Hourly Rate:

Contractor shall be compensated at a maximum rate of \$85 per hour, and any approved sub-contractor shall be compensated at a maximum rate of \$150 per hour, plus actual out-of-pocket and travel expenses.

4. Maximum Compensation:

Contractor will complete all the work and tasks described herein for a total amount of compensation that does not exceed \$65,000, which includes all out-of-pocket expenses, travel and any other expenses.