September 10, 2014

To:

LAFCo Commissioners

From:

Martha Poyatos, Executive Officer De Royalos

Subject:

Consulting Contract for the North County Municipal Service Review and Sphere

of Influence Update

# <u>Recommendation</u>

Adopt a Resolution Authorizing the Executive Officer to execute a contract with Project Resource Specialists to prepare the North County Municipal Service Review and Sphere of Influence Update for the term October 1, 2014 through June 30, 2015 in an amount not to exceed \$67,030.

# **Background**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that every five years, as necessary, LAFCO review and update the sphere of influence (SOI) of each local agency. In conjunction with the SOI update, LAFCo must prepare a Municipal Service Review (MSR) to determine the range and adequacy of the governmental services provided.

To date, San Mateo LAFCO has completed MSRs for 13 of 20 cities, 18 of 23 independent special districts, and seven county-governed special districts. With the exception of the City of Half Moon Bay and all mid-coastside districts, all service reviews have been completed by your Executive Officer. In order to expedite completion of the balance of first-round MSRs, the Commission has authorized funding of a North County MSR and SOI update for the Cities of Pacifica, Daly City, Colma, and Brisbane and North Coast County Water District, Broadmoor Police Protection District, Colma Fire Protection District, Bayshore Sanitary District, and associated county- or city-governed districts.

# Recruitment Process

On May 6, 2014 LAFCo released a Request for Proposals (RFP) and Scope of Services for this MSR. The RFP was sent to 17 firms and posted on the San Mateo LAFCo, CALAFCO, and California Special Districts Association (CSDA) websites. As reported at the July meeting, LAFCos around the state are reporting that fewer firms are bidding on proposals for MSR preparation. Proposals were submitted by the two firms below (copies of the proposals are available upon request):

- Project Resource Specialists
- Policy Consulting Associates

North County MSR/SOI Consulting Contract September 10, 2014 Page 2

The proposals varied in terms of approach, number of team members, and timelines and costs ranged from \$67,030 to \$78,190.

Following telephone interviews, staff concluded that Project Resource Specialists would be the best choice to prepare the MSR and SOI update. Follow-up reference calls were made that support this recommendation.

# Project Resource Specialists Team

The consulting team includes Harry Ehrlich and Bob Aldrich, who have over 70 years combined of local government and LAFCo experience. They recently completed an MSR for Contra Costa LAFCo that included a review of water and wastewater services.

Harry Ehrlich, Role: Water/Wastewater Services and Policy Analyst

Mr. Ehrlich has over 40 years of experience in LAFCO and local government work, with the last 30 years devoted to public works and special district-related issues, specifically water and wastewater services. Mr. Ehrlich has experience analyzing special district infrastructure, facility assessment, and governance structure alternatives. He currently serves as Director of Legislative Research for San Diego LAFCo. During his tenure there, he conducted MSRs and SOI updates for over 60 special districts. Mr. Ehrlich is active in CALAFCO and currently serves as Co-Chair of the Legislative Committee. Previously, Mr. Ehrlich served as President and Board Member of CSDA.

Bob Aldrich, Role: Project Manager and Policy Analyst

Mr. Aldrich has over 30 years of local government planning experience at the city, county, and LAFCo level. He served as Assistant Executive Officer with Orange LAFCo for over 10 years, during which time he led LAFCo's effort to complete its first-round MSRs and personally prepared 20 MSR/SOI updates for cities and special districts. Mr. Aldrich also managed incorporation projects, various special studies, and fiscal analyses (e.g., water, sewer, fire, police) and a number of complex annexation and reorganization projects.

# Budget Impact

The not-to-exceed cost of \$67,030 is greater than the \$50,000 originally anticipated for this subregional MSR; however, adequate funding is included in the Fiscal Year 2014-15 budget to cover costs associated with an MSR/SOI update. The attached resolution authorizes the Executive Officer to execute the contract and to modify the scope of the contract as necessary as long as the modifications do not increase the not-to-exceed amount of the contract.

#### **RESOLUTION NO. 1181**

# RESOLUTION OF THE SAN MATEO LOCAL AGENCY FORMATION COMMISSION AUTHORIZING AN AGREEMENT WITH PROJECT RESOURCE SPECIALISTS FOR PREPARATION OF THE NORTH COUNTY MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

RESOLVED, by the Local Agency Formation Commission of the County of San Mateo (LAFCo), State of California, that:

WHEREAS, the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (Act) provides that LAFCo shall periodically update spheres of influence of cities and special districts; and

WHEREAS, the Act further requires that in conjunction with sphere of influence updates, LAFCo shall prepare municipal service reviews pursuant to Government Code Section 56430; and

WHEREAS, LAFCo may contract for preparation of municipal service reviews and sphere of influence updates; and

WHEREAS, the Executive Officer issued a Request for Proposals, reviewed qualified bidders, and recommends entering into a contract with Project Resource Specialists in the amount of \$67,030 for the period October 1, 2014 through June 30, 2015 to prepare the North County Municipal Service Review and Sphere of Influence Update as detailed in the Scope of Services contained in the attached draft agreement; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Commission hereby authorizes the Executive Officer to execute an agreement with Project Resource Specialists in an amount not to exceed \$67,030 for the period October 1, 2014 to June 1, 2015. The Commission further authorizes the Executive Officer to modify the scope of the contract as necessary as long as the modifications do not increase the "not to exceed" amount of the contract.

# Resolution 1181

Regularly passed and adopted this 17th day of September, 2014.

Ayes and in favor of said resolution:				
Commissioners:				
Noes and against said resolu	tion:			
Commissioners:				
Gommissioners.				
Absent and/or Abstentions:				
Commissioners:				
	Chair Local Agency Formation Commission County of San Mateo State of California			
I certify that this is a true and correc	ct copy of the resolution above set forth.			
Date:	Commission Clark			
	Commission Clerk Local Agency Formation Commission County of San Mateo State of California			

# SAN MATEO LAFCO AGREEMENT WITH INDEPENDENT CONTRACTOR

# AGREEMENT WITH INDEPENDENT CONTRACTOR Contractor Name and Address ("Contractor"): Project Resource Specialists P.O. Box 2247 Borrego Springs, CA 92004 Attention: Harry Ehrlich, SDA, Principal Contractor: Upon completion of work or agreed-upon work periods, mail invoice with above Agreement Number to: Department: San Mateo LAFCO Attention: Martha Poyatos Address: 455 County Center, 2<sup>nd</sup> Floor City, State, Zip: Redwood City, CA 94063

Agreement No. \_\_\_\_\_

It is agreed between San Mateo Local Agency Formation Commission (LAFCo), and Contractor as follows:

- Services to be performed by Contractor. In consideration of the payments hereinafter set forth, Contractor shall perform services for LAFCo in accordance with the terms, conditions, and specifications set forth herein and in Exhibit A attached hereto for LAFCo.
- Contract Term. The term of this Agreement shall be from October 1, 2014, to June 30, 2015, unless terminated earlier by LAFCo.
- 3. <a href="Payments">Payments</a>. In consideration of the services rendered in accordance with all terms, conditions, and specifications set forth herein and any Exhibit(s) or attachment(s) attached hereto, LAFCo shall make payment to Contractor in the manner specified herein and in Exhibit A. In the event that LAFCo makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by LAFCo at the time of contract termination. LAFCo reserves the right to withhold payment if LAFCo determines that the quantity or quality of the work performed is unacceptable. In no event shall total payment for services under this Agreement exceed sixty seven thousand thirty dollars (\$67,030).
- 4. <u>Relationship of the Parties.</u> Contractor agrees and understands that the work/services performed under this Agreement are performed as an Independent Contractor and not as an employee of LAFCo and that neither Contractor nor its employees/agents acquires any of the rights, privileges, powers, or advantages of LAFCo employees.
- 5. Workers' Compensation Insurance. Contractor shall have in effect during the entire term of this Agreement workers' compensation and employer liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, (a) that it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and (b) that it will comply with such provisions before commencing the performance of work under this Agreement.
- 6. Other Insurance. Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or by an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amount(s) specified below:

$\boxtimes$	Comprehensive General Liability \$1,000,000 (applies to all agreements)
	Motor Vehicle Liability Insurance \$1,000,000 (to be checked if motor vehicle used in performing services)
	Professional Liability\$1,000,000 (to be checked if Contractor is a licensed professional)

- 7. Hold Harmless. Contractor agrees to indemnify and defend LAFCo and its employees and agents from any and all claims, damages, and liability in any way occasioned by or arising out of the negligence of Contractor and/or its employees/officers/agents in the performance of this Agreement, including any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply with any law, regulation, or ordinance, including but not limited to those listed in this Agreement.
- 8. **Confidentiality.** All data produced or compiled by Contractor shall be considered confidential unless it can be obtained as public record and shall not be shared with a third party without the prior written consent of LAFCo. All financial, statistical, personal, technical, and other data and information relating to LAFCo's operations which is made available to Contractor in order to carry out this Agreement shall be presumed to be confidential. Contractor shall protect said data and information from unauthorized use and disclosure by the observance of the same or more effective procedures as LAFCo requires of its

own personnel. Contractor shall not, however, be required by this Section to keep confidential any data or information which is or becomes publicly available, is already rightfully in Contractor's possession, is independently developed by Contractor outside the scope of the Agreement, or is rightfully obtained from third parties. The requirements of this Section shall survive termination of this Agreement.

- 9. **Non-Assignability.** Contractor shall not assign this Agreement or any portion thereof to a third party without the prior written consent of LAFCo, and any attempted assignment without such prior written consent in violation of this Section shall automatically give LAFCo the option to terminate this Agreement without notice.
- 10. <u>Termination of Agreement.</u> LAFCo Purchasing Agent may, at any time after execution of Agreement, terminate this Agreement, in whole or in part, for the convenience of LAFCo by giving written notice specifying the effective date and scope of such termination. Termination shall be effective on a date not less than thirty (30) days from said notice. In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials prepared by Contractor under this Agreement shall become the property of LAFCo and shall be promptly delivered to LAFCo. In the event of termination, Contractor shall be paid for all work satisfactorily performed through the date of termination except where the contracting department determines the quality or quantity of the work performed is unacceptable. Such payment shall be that portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement. LAFCo may immediately terminate this Agreement based upon unavailability of Federal, State, or County funds by providing written notice to Contractor as soon as is reasonably possible after LAFCo learns of said unavailability of funding.
- 11. <u>Payment of Permits/Licenses.</u> Contractor bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Contractor's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.
- 12. **Non-Discrimination.** No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information. Contractor shall ensure full compliance with federal, state, and local laws, directives, and executive orders regarding non-discrimination for all employees and Subcontractors under this Agreement. Contractor shall comply fully with the non-discrimination requirements of 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject Contractor to penalties, to be determined by the LAFCo Executive Officer, including but not limited to: i) termination of this Agreement; ii) disqualification of Contractor from bidding on or being awarded a LAFCo contract for a period of up to 3 years; iii) liquidated damages of \$2,500 per violation; and/or iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the LAFCo Executive Officer.

To effectuate the provisions of this Section, the LAFCo Executive Officer shall have the authority to examine Contractor's employment records with respect to compliance with this Section and/or set off all or any portion of the amount described in this Section against amounts due to Contractor under the Agreement or any other contract with LAFCo.

Contractor shall report to the LAFCo Executive Officer the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide LAFCo with a copy of its response to the Complaint when filed.

Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this contract. This paragraph applies only to contractors who are providing services to members of the public under this Agreement.

13. <b>Equal Benefits.</b> With respect to the provision of benefits to its employees, Contractor shall comply with Chapter 2.84 County Ordinance Code, which prohibits contractors from discriminating in the provision of employee benefits between			
employee with a domestic partner and an employee with a spouse. In order to meet the requirements of Chapter 2.84,			
Contractor must certify which of the following statements is/are accurate:			
☐ Contractor complies with Chapter 2.84 by:			
	offering the same benefits to its employees with spouses and its employees with domestic partners.		
	offering, in the case where the same benefits are not offered to its employees with spouses and its employees with domestic partners, a cash payment to an employee with a domestic partner that is equal to Contractor's cost of providing the benefit to an employee with a spouse.		
	County Ordin employee win Contractor m		

	<ul> <li>□ Contractor is exempt from having to comply with Chapter 2.84 because it has no employees or does not provide benefits to employees' spouses.</li> <li>□ Contractor does not comply with Chapter 2.84, and a waiver must be sought.</li> </ul>			
14.	<u>History of Discrimination</u> . Contractor must check one of the two following options, and by executing this Agreement, Contractor certifies that the option selected is accurate:			
	<ul> <li>No finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other investigative entity.</li> <li>Finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. If this box is checked, Contractor shall provide LAFCo with a written explanation of the outcome(s) or remedy for the discrimination.</li> </ul>			
15.	Retention of Records. Contractor shall maintain all records related to this Agreement for no fewer than three years after LAFCo makes final payment or after termination of this Agreement and all other pending matters are closed. All records shall be subject to the examination and/or audit by agents of LAFCo, the State of California, other regulatory agencies, and/or Federal grantor agencies.			
16.	<u>Health Insurance Portability and Accountability Act of 1996 (HIPAA).</u> One of the following responses must be selected by the Department. Is the Contractor a Business Associate?   ☐ Yes ☐ No			
	If "Yes" is checked, then the following requirements apply and Attachment H must be included: Contractor shall perform all services in accordance with HIPAA and the Federal regulations promulgated thereunder, as amended, and will comply with the Business Associate requirements set forth in Attachment H.			
17.	7. Compliance with State, Federal, and Local Laws, Regulations, and Ordinances. Contractor and all subcontractors shall ensure compliance with all state, federal, and local laws, regulations, or rules applicable to performance of the work required under this Agreement and shall execute all necessary certifications of compliance therewith. Contractor certifies that the Contractor and all of its subcontractors will adhere to and certify compliance with all applicable provisions of San Mateo County Ordinance Code, including, without limitation, Chapter 4.106, which regulates the use of disposable food service ware, and Chapter 2.84, which addresses equal benefits.			
18.	8. Merger Clause. This Agreement, including all exhibits/attachments attached hereto, which are incorporated herein by this reference, constitutes the sole agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by LAFCe Purchasing Agent. In the event that any term, condition, provision, requirement or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement or specification in any exhibit and/or attachment to this Agreement, the provisions of the body of this Agreement shall prevail. This Agreement constitute the entire Agreement between LAFCo and Contractor. Further, liability referenced to in Section 6 is limited to Contractor's negligence during Contractor's performance under this Agreement.			
19.	<u>Governing Law.</u> This Agreement, including any exhibits, and any disputes arising out of this Agreement shall for all purposes be deemed subject to the laws of the State of California without regard to its choice of law rules, and any lawsuit concerning or arising out of this Agreement shall be venued in the County of San Mateo.			
20.	<u>Jury Duty Requirements.</u> Contractor agrees that if this Agreement is amended to a total value exceeding one hundred thousand dollars (\$100,000.00), Contractor shall comply with Chapter 2.85 of the County's Ordinance Code.			
21.	. <u>Electronic Signature.</u> If both LAFCo and Contractor wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and LAFCo's Electronic Signature Administrative Memo, both boxes below must be checked. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing written notice to the other party.			
	For LAFCo:   If this box is checked by LAFCo, LAFCo consents to the use of electronic signatures in relation to this Agreement.			
	For Contractor:   If this box is checked by Contractor, Contractor consents to the use of electronic signatures in relation to this Agreement.			

THIS CONTRACT IS NOT VALID UNTIL SIGNED BY ALL PARTIES.

- Signatures Follow on Next Page -

For Contractor:		
Contractor Signature	 Date	Contractor Name (please print)
For LAFCo:		
insurance certificates including Workers' (	Compensation are on fil s in Contractor's insura	te selection process documentation is accurate, that a le in this office, that County of San Mateo Risk nce limits below \$1,000,000, and that no work will gent.
Contract Requestor Signature LAFCo	Date	Contract Requestor Name (please print) LAFCo
		Contract Requestor Title (please print)
Purchasing Agent Signature (Executive Officer or Designee) LAFCo	Date	Purchasing Agent Name (please print) (Executive Officer or Designee) LAFCo
		Purchasing Agent Title (please print)
		Budget Unit
Distribution: 1 copy to each: Purchasing Agent	, Controller, and Contracto	or (Revised 7/26/13)

# **Exhibit A**

# Agreement between San Mateo LAFCo and Project Resource Specialists

# 1. Description of Services to be Performed by Contractor

In consideration of the payments set forth in Section 2, **Amount and Method of Payment**, Contractor shall provide the following services:

# **Scope of Services**

# Overview

### Municipal Service Review & Sphere of Influence Review/Updates

In accordance with applicable state law, PRS will prepare the North County Cities and Special Districts Municipal Service Review and Sphere of Influence Update for the following Cities and Special Districts for the San Mateo Local Agency Formation Commission (LAFCO).

#### Cities:

- 1. City of Brisbane
- 2. Town of Colma
- 3. City of Daly City
- 4. City of Pacifica

# **Special Districts:**

- 1. Bayshore Sanitary District
- 2. Broadmoor Police Protection District
- 3. Colma Fire Protection District
- 4. Guadalupe Valley Municipal Improvement District
- 5. North Coast County Water District
- 6. North Coast San Mateo County Sanitation District

(While the County of San Mateo is not specifically included in the subject MSR review, it is understood that the services such as police, road maintenance, and parks and recreations will be considered for comparison purposes using existing County documents and studies.)

The Municipal Service Review will be an independent analysis prepared in accordance with the Cortese-Knox-Hertzberg Local Government Re-Organization Act of 2000 (CKH), and Government Code Section 56430, the Governor's Office of Planning and Research LAFCO Municipal Service Review Guidelines, and San Mateo LAFCO's Municipal Service Review Policies. The reports will be developed based on the best data available for the area to be studied, including but not limited to, existing city, county and special district applicable documents, engineering and servicing reports, state documents, general plans and development standards, previous Municipal Service Reviews, data collected independently, data provided by LAFCO, and interviews with appropriate agency service providers.

PRS will also provide a complete Sphere of Influence Review/Update for the subject agencies, based on the recommendations and determinations identified as a result of the Municipal Service Reviews. SOI Reviews/Updates will be performed in accordance with California Government Code Section 56425.

Agreement No.	

# 2. Amount and Method of Payment

In consideration of the services provided by Contractor pursuant to Section 1, <u>Description of Services to be Performed by Contractor</u>, and subject to the terms of the Agreement, LAFCo shall pay Contractor based on the following schedule and terms:

# **Cost Proposal**

PRS proposes to complete the Scope of Work, inclusive of reimbursable expenses, for a total cost **not to exceed \$67,030**. This not to exceed amount includes \$62,080 in consultant fee plus \$4,950 in reimbursable costs, if needed.

# Cost Proposal/Fee Schedule

Task 1: Project Initiation, Data Collection, Correlation and Review

Kick-off Meeting, Schedule & Initial Data Collection
Supplemental Data Requests & Review with LAFCO
Collect and Compile Data/Meetings/Data Verification/Maps
Monthly Status Reports and Database/Agency Information to LAFCO

Consultant Fee (108 Hours)
Reimbursable
\$ 8,860
1,950

<u>Subtotal</u>- <u>\$ 10,810</u>

Task 2: Complete Data Analysis and Preliminary Findings Documents

Develop Analysis and Preliminary Findings with agency profiles Develop tables, Charts, Graphs, Matrices, etc. Determine SOI Updates to be considered Deliver Analysis/Findings/Tables, etc. to LAFCO LAFCO/Agency Meetings/Reviews

Consultant Fee (384 Hours)- \$ 31,120 Reimbursable- 1,000

**Subtotal**- \$ 32,120

Task 3: Develop and Deliver the "Working Draft" MSR/SOI Report:

Deliver Preliminary Draft Report for LAFCO Review and Comment Deliver Draft Report for Public Hearing LAFCO Initial Public Hearing Presentation

Consultant Fee (148 Hours)
Reimbursable\$\frac{\text{Subtotal-}}{\text{Subtotal-}}\$\$\frac{\text{\$12,070}}{\text{\$1,000}}\$\$

# Task 4: Develop and Deliver the Final MSR/SOI Report and Response to Comments Document:

Deliver Preliminary Final Report for LAFCO Comment Deliver Final Report for Public Hearing Deliver Response to Comments Document

> Consultant Fee (100 Hours)-Reimbursable-

1,000

\$ 8.060

<u>Subtotal</u>- \$ 9,060

# Task 5: Prepare Final MSR/SOI Report with Appendix :

Deliver Final Report and Appendix in PDF and Word Document Form

Consultant Fee (24 Hours)

\$1,970

Subtotal- \$1,970

Total Not to Exceed Proposal-

\$ 67,030

The rate schedule for provision of all services is as follows:

#### **Hourly Rates:**

The PRS Team has discounted individual team member hourly rates for this project in recognition of the budget constraints facing San Mateo LAFCO, and understanding the necessity to deliver a quality product for San Mateo LAFCO recognizing that portions of the project are open ended and not completely quantified. The PRS Team has concluded that it is in the best interests of San Mateo LAFCO for the Project Team to provide a greater level of effort in hours expended at a reduced hourly cost to ensure that quality product.

Managing Principal \$ 95 per hour (Mr. Harry Ehrlich- Project Resource Specialists)

Project Manager \$ 75 per hour (Mr. Bob Aldrich- Aldrich & Associates)

Reimbursable expenses are charged on an actual cost basis. Reimbursable expenses include, but are not limited to all travel related expenses, vendor expenses, and reproduction and delivery services for deliverable documents directly attributable to the project.

#### Billing/Payment Schedule:

PRS invoices progress payments by the 10<sup>th</sup> of each month for the previous month's activities. Payment is due no later than 30 days from the date of the invoice. Interest at the rate of 1.5% of the unpaid balance is applied to all accounts over 30 days past due.