



# **PROFESSIONAL SERVICES AGREEMENT**

*By and Between*

**KEYANALYTICS**

**and**

**WILLIAM S. HART UNION HIGH SCHOOL DISTRICT**

**for**

***Developer Fee and Fair Share Justification and  
Reporting Services***

**THIS AGREEMENT**, commencing on February \_\_, 2022, by and between **William S. Hart Union High School District**, located in the County of Los Angeles, California, a school district duly organized under the laws of the State of California (the "DISTRICT"), and C Financial Investment, Inc., a California corporation d.b.a. **KEYANALYTICS** (the "CONSULTANT").

#### **WITNESSETH**

**WHEREAS**, the DISTRICT has determined it has an immediate and ongoing need for the CONSULTANT to provide the professional consulting services as set forth in Section I of this AGREEMENT including the referenced exhibits attached hereto;

**WHEREAS**, the DISTRICT and the CONSULTANT have reasonably concluded that the services described herein do not currently constitute municipal advisory services as the term is applied by the SEC and the MSRB to firms acting as an advisor in connection with the analyzing, structuring or advising on matters related to the structuring and/or issuing of municipal securities;

**WHEREAS**, the CONSULTANT has disclosed that it is specifically not qualified to provide legal or investment advice related to legal matters and investment decisions that impact the use or restrictions of certain funds or the investment of any DISTRICT funds as part of its services hereunder; and

**WHEREAS**, the services required and described in this AGREEMENT are highly specialized and are not otherwise required by the DISTRICT except during periods when development activity is occurring, development mitigation fees are being collected, and/or capital facilities are being funded.

**NOW, THEREFORE**, it is mutually agreed as follows:

The DISTRICT hereby retains the CONSULTANT to perform the services, upon the terms, subject to the conditions, and in consideration of payments as hereinafter set forth.

#### **I. SERVICES TO BE PROVIDED BY CONSULTANT**

The DISTRICT shall initially direct the CONSULTANT to perform the services set forth in the statements of work (collectively the "Statements of Work"), that are attached as Exhibits A and B to this AGREEMENT in a diligent manner consistent with the usual and customary professional standards for similar consulting work. This AGREEMENT and the Statements of Work shall be referred to herein as the "AGREEMENT".

The CONSULTANT may be directed by the DISTRICT in writing to perform supplemental tasks, analyses, expert testimony or assignments related to the provision of the services ("Special Related Consulting Services") in this AGREEMENT. Such related services are intended to supplement the services as described herein as circumstances may, from time-to-time, require assistance with matters related to but not contemplated by this AGREEMENT.

**II. COMPENSATION FOR SERVICES RENDERED****A. FEES**

DISTRICT shall pay CONSULTANT a fee computed in accordance with the fee schedule incorporated into each of the attached Statements of Work for the services rendered (the "Fee Schedules").

The DISTRICT agrees to pay, and the CONSULTANT agrees to receive as full compensation for the rendering of any additional Special Related Consulting Services, based on the time and materials expended, a rate based on the hourly rates listed in the table below plus out-of-pocket expenses as described in Section II(B) below.

HOURLY RATES	
Principal	\$250/Hour
Vice President	\$225/Hour
Senior Associate	\$185/Hour
Associate	\$125/Hour
Support Staff	\$100/Hour

**B. REIMBURSEMENT FOR OUT-OF-POCKET EXPENSES**

Unless otherwise stated within the Fee Schedule, CONSULTANT shall be reimbursed for out-of-pocket expenses, which includes extraordinary travel expenses, charges for outside services specifically requested by the DISTRICT, filing fees, printing charges and other like expenditures -- provided that if any individual expense exceeds \$1,000.00, the CONSULTANT shall obtain the PRIOR WRITTEN APPROVAL of a DISTRICT's representative. The CONSULTANT shall be reimbursed for such expenses upon submitting an itemized statement thereof. These expenses shall be billed no more frequently than quarterly, if incurred, and payable no later than thirty (30) days following receipt of the CONSULTANT's invoice.

**C. INVOICES**

Unless otherwise stated within the Fee Schedules, on or about the 15<sup>th</sup> day following each month during which Consulting Services are rendered hereunder, CONSULTANT shall deliver to DISTRICT an invoice for the Consulting Services performed and the reimbursable expenses incurred in the prior month. All fees and reimbursable expenses shall be payable no later than thirty (30) days following receipt of the CONSULTANT's invoice.

### III. OTHER MATTERS

- A. Severability:** Should any portion of the AGREEMENT be invalidated through legal proceedings; the remaining portions of the AGREEMENT shall remain valid and binding upon both Parties;
- B. Sub-consultants:** The CONSULTANT may utilize inputs and data provided by the DISTRICT, DISTRICT consultants, or other third parties retained by the CONSULTANT without or at the direction of the DISTRICT. The CONSULTANT agrees that all payments to such sub-consultants retained by the CONSULTANT without direction of the DISTRICT shall be the sole responsibility of the CONSULTANT.
- C. Independent Contractor Status:** The CONSULTANT, and all agents and employees of CONSULTANT, shall perform the services required pursuant to this AGREEMENT as an independent contractor, not as officers, employees or agents of the DISTRICT. In providing the services contemplated by this AGREEMENT, the CONSULTANT shall maintain a professional working relationship with the DISTRICT.
- D. Indemnity:** To the fullest extent permitted by law, CONSULTANT shall defend, indemnify and hold harmless the DISTRICT, and its officials, agents, volunteers and employees ("indemnified parties") from and against claims, damages, losses and expenses, including but not limited to attorney fees, arising out of or related to any negligent act or omission, willful misconduct or breach or default under this AGREEMENT by CONSULTANT, SUB-CONSULTANT or any other person, firm or corporation, directly or indirectly employed by CONSULTANT, upon or in connection with its performance under this AGREEMENT, regardless of whether such claim, damage, loss or expense is caused in part by an indemnified party. This includes, but is not limited to, claims, damages, losses and expenses arising from allegations of property damage, personal injury, or death, injury to, loss of, theft of, or unauthorized access to personally identifiable information or documents containing such information, as most broadly defined under State or Federal law; or any actual or alleged failure to comply with any provision of law. CONSULTANT shall, if requested by the DISTRICT, defend using counsel selected by CONSULTANT but subject to the approval of DISTRICT, with such approval not to be unreasonably withheld. Unless agreed to by written addendum, this paragraph shall be the sole indemnification clause between the Parties.
- E. Special Provision for Ongoing Investigations, Litigation and Law Enforcement Related Activities:** The DISTRICT shall compensate the CONSULTANT separately, at its hourly consulting rate, for any ADDITIONAL services made necessary by any external investigation by State, County or Federal authorities of the DISTRICT's utilization of funds and expenditures or CONSULTANT prepared data provided that the investigation does not arise primarily from the activities of the CONSULTANT. The CONSULTANT shall be entitled to recover reasonable legal costs made necessary by its involvement in any such investigations including legal advice related to the preparation of materials to be used in testimony or as evidence in such investigations and legal expenses incurred as a result of proposed or actual legal actions involving the CONSULTANT that are not primarily the result of acts of gross negligence or misconduct of the CONSULTANT.
- F. Taxes:** The CONSULTANT shall be liable and solely responsible for paying all required taxes, including, but not limited to, federal and state income taxes and social security taxes, on all

amounts payable to the CONSULTANT. All payments to the CONSULTANT shall be reported to the appropriate State and Federal tax authorities as required.

- G. Amendment:** This AGREEMENT cannot be changed or supplemented orally but may be modified or suspended by written instrument executed by all parties.
- H. Compliance with Law:** While performing the services contemplated by this AGREEMENT, the CONSULTANT and the DISTRICT agree to comply with all applicable laws and regulations.
- I. Work Records:** All written work products generated by the CONSULTANT, shall be deemed to be the mutual property of the DISTRICT and the CONSULTANT. The DISTRICT's right to documents produced by the CONSULTANT pursuant to this AGREEMENT shall be limited to read-only copies of the work performed and shall not include any ownership interest, license or possession of any spreadsheets, databases, computer models or data files utilized in preparing the read-only materials.
- J. Entire AGREEMENT:** This AGREEMENT constitutes the entire agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral relating to the services to be provided in the AGREEMENT. Prior agreements not directly related to the services to be provided in this AGREEMENT shall remain in full force and effect.
- K. Successors Permitted, Assignment:** This AGREEMENT shall remain valid and binding upon a successor DISTRICT or CONSULTANT in the event that either entity is merged, unified, divided or formed as a successor to either of the two parties to this AGREEMENT.
- L. Execution of the AGREEMENT in Counterparts:** This AGREEMENT may be executed in several counterparts each of which shall be an original. Electronic signatures may be provided to this AGREEMENT or any amendment thereto consistent with the provisions of the California Uniform Electronic Transactions Act.
- M. Initial Term of the AGREEMENT:** The initial term of this AGREEMENT shall be through June 30, 2025.
- N. Renewal of the AGREEMENT:** At the expiration of the initial term, this AGREEMENT can be extended with up to two (2) extensions for one (1) year periods by the mutual consent of the parties. Any renewal shall be considered an extension of the original AGREEMENT for the purposes of calculating fees. Failure to renew the AGREEMENT shall not result in a reduction, cancellation or termination of any fees which have been earned by, but not yet paid to the CONSULTANT during the term of the AGREEMENT, and all such fees shall remain payable pursuant to the AGREEMENT's provisions regarding CONSULTANT's fees for services provided hereunder.
- O. Termination of the AGREEMENT:** This AGREEMENT, may be terminated by either party, with or without cause, upon thirty (30) days written notice of either the DISTRICT or the CONSULTANT. All fees (other than hourly fees that shall be paid on an hourly basis notwithstanding termination) shall be prorated according to the percentage of work completed by the CONSULTANT on the date of termination of other services to be provided under this AGREEMENT without regard to which party exercised the option to terminate. Fees are due and payable prior to the date of termination.

- P. Fee Disputes:** The parties agree to work cooperatively to resolve any, if any, fee disputes that arise during the term of this AGREEMENT. Should such efforts fail to resolve any dispute(s), the parties agree that any reasonable legal costs incurred to enforce the terms of this agreement shall be recoverable by the prevailing party.
- Q. Notices:** Except for invoices submitted by the CONSULTANT, all notices or other communications to either party by the other shall be deemed given when made in writing and delivered, mailed or sent by electronic transmission to such party at their respective addresses as follows:

**If to DISTRICT:**

**Ralph Peschek**  
*Chief Business Officer*

**William S. Hart Union High School District**  
21380 Centre Pointe Parkway  
Santa Clarita, CA 91350  
(661) 259-003 Ext. 242  
[rpeschek@hartdistrict.org](mailto:rpeschek@hartdistrict.org)

**If to CONSULTANT:**

**Steven Gald**  
*Executive Vice President*

**KeyAnalytics**  
555 Corporate Dr.  
Ladera Ranch, CA 92694  
Phone: (949) 282-1077  
[sgald@calschools.com](mailto:sgald@calschools.com)

All notices shall be effective immediately upon personal delivery or electronic transmission; or on the first business day after delivery to an overnight delivery service, or on the fifth business day if mailed, postage prepaid

#### **IV. DISPUTE RESOLUTION**

**THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE. BY SIGNING AN ARBITRATION AGREEMENT, THE PARTIES AGREE AS FOLLOWS:**

- A. All parties to this AGREEMENT are giving up the right to sue each other in court, including the right to a trial by jury, except as provided in the rules of the arbitration forum in which a claim is filed.
- B. Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.

- C. The ability of the parties to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings.
- D. The arbitrators do not have to explain the reasons(s) for their award.
- E. The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities and/or school district industry.
- F. The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- G. The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this AGREEMENT.

Notwithstanding the foregoing, the arbitration forum rules chosen herein provides for only one arbitrator and for mutual participation by the DISTRICT and CONSULTANT in selecting the arbitrator. Arbitration is generally faster and less expensive than a court proceeding. It also offers the parties the opportunity to select a decision-maker who is knowledgeable with respect to the subject matter of the dispute.

The DISTRICT and the CONSULTANT shall use good faith efforts to resolve all disputes informally through direct discussions between the DISTRICT representative and a representative of the CONSULTANT to be appointed by the CONSULTANT for this purpose.

If the parties cannot resolve their dispute by direct consultation, the dispute shall be referred to mediation through the offices of Judicial Arbitration and Mediation Services (JAMS) at the JAMS office which is geographically most closely located to the chief administrative office of the DISTRICT. The parties shall jointly attempt to agree on a mediator from a list of mediators provided by JAMS but if they cannot so agree, they shall request that JAMS provide the parties with a list of potential mediators containing an odd number of not less than five, and the DISTRICT and the CONSULTANT shall alternatively strike one name from the list with the last remaining name deemed to be the mediator selected by the parties.

If the dispute is not resolved in mediation, the matter shall then be submitted to binding arbitration through JAMS and such arbitration shall be conducted pursuant to the JAMS Streamlined Arbitration Rules & Procedures.

Nothing contained herein shall limit either party from seeking injunctive or equitable relief from a court of competent jurisdiction, provided that such injunctive or equitable relief shall be solely in addition to, and not in substitution for the dispute resolution process otherwise provided herein.

The prevailing party in any arbitration or litigation procedure shall be entitled, in addition to any other relief to an award of reasonable attorney's fees incurred.

**IN WITNESS WHEREOF**, the DISTRICT has caused these presents to be properly executed and the CONSULTANT has caused these presents to be properly executed, as of the date hereinabove set forth.

**WILLIAM S. HART UNION HIGH SCHOOL DISTRICT,**  
*a School District Duly Authorized Under*  
*the Laws of the State of California*

By: \_\_\_\_\_

**Ralph Peschek**  
*Chief Business Officer*

**C FINANCIAL INVESTMENT, INC.,**  
*a California Corporation d.b.a.*  
**KEYANALYTICS**

By: \_\_\_\_\_

**Steven Gald**  
*Executive Vice President*



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## EXHIBIT A

## STATEMENT OF WORK

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# DEVELOPMENT IMPACT FEE JUSTIFICATION SERVICES



*a Division of California Financial Services*

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## **STATEMENT OF WORK**

### **DEVELOPMENT IMPACT FEE JUSTIFICATION SERVICES**

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#### **SERVICES TO BE PROVIDED BY CONSULTANT**

CONSULTANT will provide specialized consulting services to prepare a Developer Fee Justification Study covering both Residential and Commercial/Industrial Development ("Study") and a School Facilities Needs Analysis ("Analysis") for the DISTRICT. The Study will justify statutory school fees for the DISTRICT and identify the full school facilities impacts to be mitigated by these types of development within the DISTRICT. The Analysis will calculate and justify alternative school facilities fees. The specific activities to be performed by CONSULTANT shall include the following:

**1. DEVELOPER FEE JUSTIFICATION STUDY PREPARATION SERVICES:**

- a. Calculate student generation factors ("SGF") by housing category (i.e., single family detached and multi-family attached) and school grade level configuration. SGFs will be calculated by comparing student enrollment of the DISTRICT to residential data provided from the County Office of the Assessor ("Assessor");
- b. Review the school facilities capacity of the DISTRICT as reported on SAB Form 50-02 to determine the number of students that can be adequately housed at each school grade level;
- c. Review development plans and tract maps of jurisdictions (e.g., city or county) served by the DISTRICT, to estimate the number of future residential units by housing category that can be constructed within the DISTRICT;
- d. Compare existing enrollment to facilities capacity, by school grade level, to determine whether any surplus seats exist to house students generated from future residential units;
- e. Project the number of students to be generated by housing category and school grade level from future residential units within the DISTRICT;
- f. Estimate the number and type of school facilities by school grade configuration that will need to be constructed or expanded by the DISTRICT based on the projected enrollment and the capacity of existing school facilities.
- g. Reviewing and analyzing documents of the DISTRICT to estimate the cost of constructing or expanding the school facilities identified. If the DISTRICT cannot provide sufficient cost information regarding the construction or expansion of school facilities, costs will be estimated using the square footage and cost allowances established by the OPSC;
- h. Estimate the "actual" school facilities impacts per unit and square foot of residential floor space by each housing category. Confirm that the "actual" school facilities

impact per square foot of residential floor space exceeds the new Residential School Fee for a housing category;

- i. Estimate the employment generation rates per building square foot and per gross acre by commercial/industrial building and the employee migration factor for the DISTRICT utilizing prior studies prepared for the DISTRICT and/or data provided by the San Diego Association of Governments ("SANDAG") and the Bureau of the Census. Estimate the current number of workers per household within the DISTRICT (if possible, by commercial/industrial building) based on current housing and employment estimates by state and county agencies, supplemented by the Census and other available data. Project the number of new "local households" that will locate within the DISTRICT as a direct result of commercial/industrial development within the DISTRICT adjusting for new housing units;
- j. Estimate student enrollment increases for each commercial/industrial building, based on SGFs and the local household impacts per commercial/industrial building unit;
- k. Estimate additional student enrollment increases for each commercial/industrial building based on: (i) employment-related inter-district transfer rates and (ii) estimated student enrollment increases per commercial/industrial building;
- l. Estimate the "actual" school facilities impacts per square foot of commercial/industrial floor space for commercial/industrial building. Confirm that the "actual" school facilities impact per square foot of commercial/industrial floor space for commercial/industrial building are less than the difference between the average "actual" school facilities as a result of the development of a residential unit and the estimated Residential School Fees for such unit; and
- m. Prepare draft and final version of a report presenting the findings of the Study. Final versions of the report can be provided in PDF format, in addition to bound copies.

## **2. SCHOOL FACILITIES NEEDS ANALYSIS PREPARATION SERVICES:**

- a. Reviewing documentation (i.e., SAB Forms 50-01, 50-02, and 50-03) to determine if the DISTRICT has been eligible for new construction funding under the Leroy F. Greene School Facilities Act of 1998;
- b. Determine if the DISTRICT meets two of the four "need and funding effort" requirements listed in Government Code Sections 65995.5(3)(C);
- c. Identify excess capacity that can be used to house future students by comparing existing capacity to enrollment provided by the DISTRICT and allocating any such capacity to students projected to be generated from future residential units;
- d. Calculate student generation rates ("SGRs") by housing category pursuant to Government Code Section 65995.6 (b) (e.g., single family detached, single family attached, and multifamily) and school level for the DISTRICT by comparing enrollment data of the DISTRICT to residential data of the County Assessor for residential units constructed in the previous five (5) years;

- e. Review information provided by the DISTRICT and/or gathered independently, from the planning agencies for the jurisdictions served by the DISTRICT to determine the number of residential units and estimated square footage to be constructed over the next five (5) years;
- f. Project the number of students to be generated by housing category and school level from future residential units within the DISTRICT based on the residential units to be constructed over the next five (5) years;
- g. Determine the school facilities that need to be expanded and/or constructed to accommodate students generated from future residential units;
- h. Determine the total cost impacts involved in providing the identified school facilities by multiplying the total number of students served by the per-pupil grant levels established in SB 50. In addition, site acquisition and site development costs per student at each school level shall be included;
- i. Identify local funds and/or assets of the DISTRICT which may be used to reduce the total school facility cost impacts. Calculate an adjusted total school facility cost impact
- j. Calculate the Alternative No. 2 Fee per square foot that the DISTRICT is justified in charging future residential development;
- k. Calculating the Alternative No. 3 Fee per square foot that the DISTRICT is justified in charging future residential development;
- l. Prepare drafts and final reports presenting the findings of the School Facilities Needs Analysis; and
- m. Final versions of the Analysis can be provided in PDF format, in addition to bound copies.

## **FEE SCHEDULE**

The DISTRICT agrees to pay and CONSULTANT agrees to receive as full compensation for the rendering of the Development Impact Fee Justification Services, as described above, the following amounts:

- 1. DEVELOPER FEE JUSTIFICATION STUDY PREPARATION SERVICES:** The DISTRICT agrees to pay and CONSULTANT agrees to receive as full compensation for the rendering of Developer Fee Study Preparation Services, as described above, a fixed fee of \$8,500 inclusive of all ordinary expenses. Ordinary expenses shall include expenses associated with (i) the acquisition of data required to prepare the Study and (ii) CONSULTANT'S attendance at one meeting at the DISTRICT's offices. Such fee shall be payable once the final Study is delivered; and
- 2. SCHOOL FACILITIES NEEDS ANALYSIS PREPARATION SERVICES:** The DISTRICT agrees to pay and CONSULTANT agrees to receive as full compensation for the rendering of School Facilities Needs Analysis Preparation Services, as described above, a fixed fee of \$8,000 inclusive of all ordinary expenses. Ordinary expenses shall include expenses associated with (i) the acquisition of data required to prepare the Analysis and (ii) CONSULTANT'S attendance at one meeting at the DISTRICT's offices. Such fee shall be payable once the final Analysis is delivered.

Notwithstanding the above, in the event the CONSULTANT determines that the DISTRICT does not qualify for an Alternative No. 2 Fee in excess of DISTRICT's current Residential School Fee, the DISTRICT shall pay CONSULTANT \$4,000 for such evaluation. Such fee shall be payable once such determination is communicated to the DISTRICT.

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## EXHIBIT B

### STATEMENT OF WORK

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# Preparation of Fair Share School Impact Mitigation Payment Adjustment Analysis



 a Division of California Financial Services

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## **STATEMENT OF WORK**

### ***PREPARATION OF FAIR SHARE SCHOOL IMPACT MITIGATION PAYMENT ADJUSTMENT ANALYSIS***

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#### **SERVICES TO BE PROVIDED BY CONSULTANT**

The DISTRICT has entered into Fair Share School Impact Mitigation Payment ("Fair Share") funding agreements ("Agreements") with various property owners within the DISTRICT's boundaries. Such Agreements state the Fair Share amount will be updated on an annual basis through the preparation of the Fair Share School Impact Mitigation Payment Adjustment Analysis ("Report").

CONSULTANT will provide specialized consulting services to prepare Report for the DISTRICT. The specific activities to be performed by CONSULTANT include the following:

1. Prepare a Report to satisfy the annual update of the Report as required by the Agreements:
  - a. Update the Non-Land Value Component of Fair Share;
  - b. Assist with the determination of methodology to employ in updating existing school site appraisals;
  - c. Update the Land Value Component of Fair Share;
  - d. Calculate student generation factors ("SGF") by (i) housing categories as defined in Fair Share (i.e., single family detached units, detached condominium units, and multi-family attached units), (ii) school grade level configuration, and (iii) location as it relates to the DISTRICT's elementary feeder school districts. SGFs will be calculated by comparing student enrollment of the DISTRICT to residential data provided from the County Office of the Assessor ("Assessor"); and
  - e. Complete adjustment process to determine updated Fair Share amounts for (i) the various housing categories, (ii) with and without a notice of assignment of state funds, and (iii) inside and outside of Castaic Union School District.
2. Assist the DISTRICT with the preparation of the necessary resolutions and notices.
3. If requested by DISTRICT, attend one (1) Board meeting to review the Report with the Board and answer questions related to its content.

### **FEE SCHEDULE**

The DISTRICT agrees to pay, and the CONSULTANT agrees to receive as full compensation for the preparation of a Report for the DISTRICT, as described above, the following amounts:

1. **REPORT FEE:** The DISTRICT agrees to pay, and the CONSULTANT agrees to receive as full compensation for the preparation of a REPORT for a fixed fee of \$4,500.00 plus any ordinary expenses.