San Diego County
Local Agency Formation Commission
Regional Service Planning | Subdivision of the State of California

5h

AGENDA REPORT
Consent | Information

August 3, 2026

TO: Chair Becker and Commissioners

FROM: Priscilla Mumpower, Assistant Executive Officer

SUBJECT: **Notice of Executed Professional Services Agreement with London Moeder Advisors | Comprehensive Fiscal Analysis for Proposed Incorporation of La Jolla**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive notice the Executive Officer has executed a professional services agreement with London Moeder Advisors to prepare the comprehensive fiscal analysis (CFA) required for the proposed special reorganization to incorporate the community of La Jolla, with concurrent detachment from the City of San Diego. The Commission authorized the agreement at its June 15, 2026 special meeting. The executed document is substantively consistent with the version presented at that hearing, with one modification to the payment schedule made at the consultant's request. The signed agreement is attached. This item is presented for information only.

BACKGROUND

Special Reorganization Application Filing | Proposed Incorporation of La Jolla

San Diego LAFCO is processing a proposed special reorganization – initiated by voter petition – to incorporate the community of La Jolla as an independent city, with concurrent detachment from the City of San Diego. As submitted, the affected territory encompasses approximately 14 square miles, including the Village, Shores, and Bird Rock neighborhoods

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while excluding the University of California San Diego campus. The proposed city would serve an estimated 38,000 residents.

Comprehensive Fiscal Analysis and RFP Process

State law requires LAFCO to prepare a CFA as part of its administrative review of any incorporation proposal. The CFA must evaluate the proposed city's fiscal feasibility, ability to provide municipal services, projected revenues and expenditures, impacts on affected agencies, and revenue neutrality. Accordingly, following submission of a qualifying petition by the Association for the City of La Jolla on January 29, 2025, and resolution of associated litigation brought by the City of San Diego, LAFCO staff released a formal Request for Proposals (RFP) on January 21, 2026 for the preparation of a CFA.[1] Proposals were reviewed by a five-member selection committee representing Association for the City of La Jolla (ACLJ), City of San Diego Mayor's Office, San Diego Regional Chamber of Commerce, San Diego Municipal Employees Association, and San Diego LAFCO. The committee reached unanimous consensus in selecting London Moeder Advisors as their preferred choice.[2]

DISCUSSION

This item provides notice of the professional services agreement executed between San Diego LAFCO and London Moeder Advisors consistent with the Commission's authorization on June 15, 2026. The agreement's term runs through June 15, 2028, with a not-to-exceed amount of $150,000. The scope encompasses municipal service and governance review, revenue and expenditure forecasting, property tax exchange and revenue neutrality analyses, transition planning, and preparation of draft and final reports. The agreement executed remains substantively consistent with the version presented to the Commission in June, with one material modification. At the consultant's request, the payment terms were revised from monthly invoicing based on work performed to a fixed schedule. Under the revised terms, ACLJ will provide LAFCO with an initial deposit equal to 80% of the contract amount ($120,000), from which LAFCO will make up to nine equal monthly payments of $13,333.33 to the consultant. The remaining $30,000 is retained by LAFCO and paid only upon receipt and acceptance of all final deliverables, leaving the total not-to-exceed amount unchanged. The executed agreement is provided as Attachment One.

ANALYSIS

None.

[1] Following the Executive Officer's issuance of an amended Certificate of Sufficiency on April 29, 2025, confirming the petition would proceed through LAFCO's administrative review, the City of San Diego filed litigation challenging the Executive Officer's authority to overrule the Registrar of Voters' rejection of certain petition signatures for minor misspellings, abbreviations, or legibility concerns. The litigation concluded in October 2025 with the court upholding the Executive Officer's actions, allowing LAFCO staff to continue processing the proposed incorporation of the community of La Jolla.

[2] Two firms submitted complete proposals – London Moeder Advisors (San Diego) and RSG (Los Angeles) – by the RFP deadline of March 10, 2026. Proposals were evaluated on demonstrated understanding of the project, scope and methodology, relevant experience, budget, communication approach, and overall qualifications. Both firms submitted strong, well-qualified proposals and scored competitively.

RECOMMENDATION

This item is presented to San Diego LAFCO for information only.

ALTERNATIVES FOR ACTION

None.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

On behalf of the Executive Officer,



Priscilla Mumpower
Assistant Executive Officer

Attachment:

1) Professional Services Agreement: London Moeder Associates

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PROFESSIONAL SERVICES AGREEMENT
FOR CONSULTANT SERVICES
(San Diego County Local Agency Formation Commission / London Moeder Realty Advisors)

1. IDENTIFICATION

This PROFESSIONAL SERVICES AGREEMENT ("Agreement") is entered into by and between San Diego County Local Agency Formation Commission, a California public agency, corporate and politic ("Commission"), and London Moeder Realty Advisors, a California General Partnership ("Consultant").

2. RECITALS

2.1. Commission has determined that it requires the following professional services from a consultant: preparation of a comprehensive fiscal analysis for the proposed incorporation of the community of La Jolla in the City of San Diego, Ca.

2.2. Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

2.3. Consultant represents that it has no known relationships with third parties, Commissioners, or employees of the Commission which would (1) present a conflict of interest with the rendering of services under this Agreement under Government Code Section 1090, the Political Reform Act (Government Code Section 81000 *et seq.*), or other applicable law, (2) prevent Consultant from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, the Commission and Consultant agree as follows:

3. DEFINITIONS

3.1. "Scope of Services": Such professional services as are set forth in Consultant's March 10, 2026 proposal to the Commission attached hereto as Exhibit A and incorporated herein by this reference.

3.2. "Approved Fee Schedule": Consultant's compensation rates are set forth in the fee schedule attached to Exhibit A. This fee schedule shall remain in effect for the duration of this Agreement unless modified in writing by mutual agreement of the parties.

3.3. "Maximum Amount": The highest total compensation and costs payable to Consultant by Commission under this Agreement. The Maximum Amount under this Agreement is One Hundred Fifty Thousand Dollars ($150,000.00).

3.4. "Commencement Date": June 15, 2026.

3.5. "Termination Date": June 15, 2028.

3.6. "Commission Agreement Administrator" means Keene Simonds, Executive Officer.

3.7. "Consultant Project Administrator" means Gary London, Senior Principal.

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Termination Date unless extended by written agreement of the parties or terminated earlier under Section 15 ("Termination") below. Consultant may request extensions of time to perform the services required hereunder. Such extensions shall be effective if authorized in advance by Commission in writing and incorporated in written amendments to this Agreement.

5. CONSULTANT'S DUTIES

5.1. **Services**. Consultant shall perform the services identified in the Scope of Services. Commission shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.

5.2. **Coordination with Commission**. In performing services under this Agreement, Consultant shall coordinate all contact with Commission through its Agreement Administrator.

5.3. **Budgetary Notification**. Consultant shall notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Consultant shall concurrently inform the Agreement Administrator, in writing, of Consultant's estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.

5.4. **Business License.** Consultant shall obtain and maintain in force a Commission business license for the duration of this Agreement.

5.5. **Professional Standards.** Consultant shall perform all work to the standards of Consultant's profession and in a manner reasonably satisfactory to Commission. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this

Agreement, including all Cal/OSHA requirements, the conflict of interest provisions of Government Code § 1090 and the Political Reform Act (Government Code § 81000 et seq.).

5.6. **Avoid Conflicts.** During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if such work would present a conflict interfering with performance under this Agreement. However, Commission may consent in writing to Consultant's performance of such work.

5.7. **Campaign Contributions.** This Agreement is subject to Government Code Section 84308. Consultant shall disclose any contribution in an amount of more than five hundred dollars ($500) made within the preceding 12 months by the Consultant or the Consultant's agent to a Commission Officer or his or her committee. In the case of a contribution, Consultant shall request and provide a signed copy of the Campaign Contribution Disclosure Form to the Commission prior to, or concurrent with, the Consultant's execution of this Agreement.

5.8. **Appropriate Personnel.** Consultant has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. No change shall be made in Consultant's project administrator without Commission's prior written consent.

5.9. **Substitution of Personnel.** Any persons named in the proposal or Scope of Services constitutes a promise to the Commission that those persons will perform and coordinate their respective services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of Commission. If Commission and Consultant cannot agree as to the substitution of key personnel, Commission may terminate this Agreement for cause.

5.10. **Permits and Approvals.** Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary for Consultant's performance of this Agreement. This includes, but shall not be limited to, professional licenses, encroachment permits and building and safety permits and inspections.

5.11. **Notification of Organizational Changes.** Consultant shall notify the Agreement Administrator, in writing, of any change in name, ownership or control of Consultant's firm or of any subcontractor. Change of ownership or control of Consultant's firm may require an amendment to this Agreement.

5.12. **Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to Commission under this Agreement for a minimum of three (3) years, or for any longer period required by

law, from the date of final payment to Consultant under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of Commission. In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of Commission or as part of any audit of Commission, for a period of three (3) years after final payment under this Agreement.

5.13. **Skilled and Trained Workforce Requirement.** When the use of a skilled and trained workforce is required to complete a contract pursuant to existing law, this contract is subject to such requirement and Consultant agrees to use a skilled and trained workforce.

5.14. **Conflict of Interest Disclosure**. Pursuant to Government Code Section 1097.6, subdivision (c)(1), "[The] [C]onsultant's duties and services under this agreement shall not include preparing or assisting the public entity with any portion of the public entity's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the public entity. The public entity entering this agreement shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. [C]onsultant's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. [C]onsultant shall cooperate with the public entity to ensure that all bidders for a subsequent contract on any subsequent phase of this project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by [Consultant] pursuant to this agreement."

6. SUBCONTRACTING

6.1. **General Prohibition.** This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Consultant shall not assign or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.

6.2. **Consultant Responsible.** Consultant shall be responsible to Commission for all services to be performed under this Agreement.

6.3. **Identification in Fee Schedule.** All subcontractors shall be specifically listed and their billing rates identified in the Approved Fee Schedule, Exhibit A. Any changes must be approved by the Agreement Administrator in writing as an amendment to this Agreement.

6.4. **Compensation for Subcontractors.** Commission shall pay Consultant for work performed by its subcontractors, if any, only at Consultant's actual cost plus an approved mark-up as set forth in the Approved Fee Schedule, Exhibit A. Consultant shall be liable and accountable for any and all payments, compensation, and federal

and state taxes to all subcontractors performing services under this Agreement. Commission shall not be liable for any payment, compensation, or federal and state taxes for any subcontractors.

7. COMPENSATION

7.1. **General.** Commission agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Fee Schedule in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Consultant shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by Commission in advance.

7.2. **Invoices.** Consultant shall submit to Commission an invoice, on a monthly basis or as otherwise agreed to by the Agreement Administrator, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by employee name and classification/position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges.

7.3. **Taxes.** Commission shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law. Consultant shall be solely responsible for calculating, withholding, and paying all taxes.

7.4. **Disputes.** The parties agree to meet and confer at mutually agreeable times to resolve any disputed amounts contained in an invoice submitted by Consultant.

7.5. **Additional Work.** Consultant shall not be reimbursed for any expenses incurred for work performed outside the Scope of Services unless prior written approval is given by the Commission through a fully executed written amendment. Consultant shall not undertake any such work without prior written approval of the Commission.

7.6. **Commission Satisfaction as Precondition to Payment.** Notwithstanding any other terms of this Agreement, no payments shall be made to Consultant until Commission is satisfied that the services are satisfactory.

7.7. **Right to Withhold Payments.** If Consultant fails to provide a deposit or promptly satisfy an indemnity obligation described in Section 10, Commission shall have the right to withhold payments under this Agreement to offset that amount.

8. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material, and all electronic files, including computer-aided design files, developed by Consultant in the performance of this Agreement (such written material and electronic files are collectively known as "written products") shall be and remain the

property of Commission without restriction or limitation upon its use or dissemination by Commission except as provided by law. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

9. RELATIONSHIP OF PARTIES

9.1. General. Consultant is, and shall at all times remain as to Commission, a wholly independent contractor.

9.2. No Agent Authority. Consultant shall have no power to incur any debt, obligation, or liability on behalf of Commission or otherwise to act on behalf of Commission as an agent. Neither Commission nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of Commission.

9.3. Independent Contractor Status. Under no circumstances shall Consultant or its employees look to the Commission as an employer. Consultant shall not be entitled to any benefits. Commission makes no representation as to the effect of this independent contractor relationship on Consultant's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Consultant specifically assumes the responsibility for making such a determination. Consultant shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation, and other applicable federal and state taxes.

9.4. **Indemnification of CalPERS Determination.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the Commission, Consultant shall indemnify, defend, and hold harmless Commission for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of Commission.

10. INDEMNIFICATION

10.1. **Definitions.** For purposes of this Section 10 , "Consultant" shall include Consultant, its officers, employees, servants, agents, or subcontractors, or anyone directly or indirectly employed by either Consultant or its subcontractors, in the performance of this Agreement. "Commission" shall include Commission, its officers, agents, employees and volunteers.

10.2. **Consultant to Indemnify Commission.** To the fullest extent permitted by law, Consultant shall indemnify, hold harmless, and defend Commission from and against

any and all claims, losses, costs or expenses for any personal injury or property damage arising out of or in connection with Consultant's alleged negligence, recklessness or willful misconduct or other wrongful acts, errors or omissions of Consultant or failure to comply with any provision in this Agreement.

10.3. **Scope of Indemnity.** Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential or otherwise, Property damage shall include injury to any personal or real property. Consultant shall not be required to indemnify Commission for such loss or damage as is caused by the sole active negligence or willful misconduct of the Commission.

10.4. **Attorneys Fees.** Such costs and expenses shall include reasonable attorneys' fees for counsel of Commission's choice, expert fees and all other costs and fees of litigation. Consultant shall not be entitled to any refund of attorneys' fees, defense costs or expenses in the event that it is adjudicated to have been non-negligent.

10.5. **Defense Deposit.** The Commission may request a deposit for defense costs from Consultant with respect to a claim. If the Commission requests a defense deposit, Consultant shall provide it within 15 days of the request.

10.6. **Waiver of Statutory Immunity.** The obligations of Consultant under this Section 10 are not limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to Commission.

10.7. **Indemnification by Subcontractors.** Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 10 from each and every subcontractor or any other person or entity involved in the performance of this Agreement on Consultant's behalf.

10.8. **Insurance Not a Substitute.** Commission does not waive any indemnity rights by accepting any insurance policy or certificate required pursuant to this Agreement. Consultant's indemnification obligations apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

11. INSURANCE

11.1. **Insurance Required.** Consultant shall maintain insurance as described in this section and shall require all of its subcontractors, consultants, and other agents to do the same. Approval of the insurance by the Commission shall not relieve or decrease any liability of Consultant Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.

11.2. **Documentation of Insurance.** Commission will not execute this agreement until it has received a complete set of all required documentation of insurance coverage. However,

failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. Consultant shall file with Commission:

- Certificate of Insurance, indicating companies acceptable to Commission, with a Best's Rating of no less than A:VII showing. The Certificate of Insurance must include the following reference: La Jolla Proposal.
- Documentation of Best's rating acceptable to the Commission.
- Original endorsements effecting coverage for all policies required by this Agreement.
- Complete, certified copies of all required insurance policies, including endorsements affecting the coverage.

11.3. **Coverage Amounts.** Insurance coverage shall be at least in the following minimum amounts:

• Professional Liability Insurance:	$1,000,000 per occurrence, $2,000,000 aggregate
• General Liability:	
• General Aggregate:	$2,000,000
• Products Comp/Op Aggregate	$2,000,000
• Personal & Advertising Injury	$1,000,000
• Each Occurrence	$1,000,000
• Fire Damage (any one fire)	$ 50,000
• Medical Expense (any 1 person)	$ 5,000
• Workers' Compensation:	
• Workers' Compensation	Statutory Limits
• EL Each Accident	$1,000,000
• EL Disease - Policy Limit	$1,000,000
• EL Disease - Each Employee	$1,000,000
• Automobile Liability	
• Any vehicle, combined single limit	$1,000,000

Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements or limits shall be available to the additional insured. Furthermore, the requirements for coverage and limits shall be the greater of (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured

11.4. **General Liability Insurance.** Commercial General Liability Insurance shall be no less broad than ISO form CG 00 01. Coverage must be on a standard Occurrence form. Claims-Made, modified, limited or restricted Occurrence forms are not acceptable.

11.5. **Worker's Compensation Insurance.** Consultant is aware of the provisions of Section 3700 of the Labor Code which requires every employer to carry Workers' Compensation (or to undertake equivalent self-insurance), and Consultant will comply

with such provisions before commencing the performance of the work of this Agreement. If such insurance is underwritten by any agency other than the State Compensation Fund, such agency shall be a company authorized to do business in the State of California.

11.6. **Automobile Liability Insurance.** Covered vehicles shall include owned if any, non-owned, and hired automobiles and, trucks.

11.7. **Professional Liability Insurance or Errors & Omissions Coverage.** The deductible or self-insured retention may not exceed $50,000. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work. Coverage shall be continued for two years after the completion of the work by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Agreement.

11.8. **Claims-Made Policies.** If any of the required policies provide coverage on a claims-made basis the Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Claims-Made Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

11.9. **Additional Insured Endorsements.** The Commission, its Commissioners , officers, and employees of San Diego Local Agency Formation Commission must be endorsed as an additional insured for each policy required herein, other than Professional Errors and Omissions and Worker's Compensation, for liability arising out of ongoing and completed operations by or on behalf of the Consultant. Consultant's insurance policies shall be primary as respects any claims related to or as the result of the Consultant's work. Any insurance, pooled coverage or self-insurance maintained by the Commission, its elected or appointed officials, directors, officers, agents, employees, volunteers, or consultants shall be non-contributory. All endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. General liability coverage can be provided using an endorsement to the Consultant's insurance at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37.

11.10. **Failure to Maintain Coverage.** In the event any policy is canceled prior to the completion of the project and the Consultant does not furnish a new certificate of insurance prior to cancellation, Commission has the right, but not the duty, to obtain the required insurance and deduct the premium(s) from any amounts due the Consultant under this Agreement. Failure of the Consultant to maintain the insurance required by this Agreement, or to comply with any of the requirements of this section, shall constitute a material breach of this Agreement.

11.11. **Notices.** Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. Consultant shall provide no less than 30 days' notice of any cancellation or material change to policies required by this Agreement. Consultant shall provide proof that cancelled or expired policies of insurance have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages. The name and address for Additional Insured Endorsements, Certificates of Insurance and Notices of Cancellation is: San Diego County Local Agency Formation Commission , Attn: Keene Simonds, 2550 Fifth Avenue, Suite 725, San Diego, California 92103-6624.

11.12. **Consultant's Insurance Primary.** The insurance provided by Consultant, including all endorsements, shall be primary to any coverage available to Commission. Any insurance or self-insurance maintained by Commission and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.

11.13. **Waiver of Subrogation.** Consultant hereby waives all rights of subrogation against the Commission. Consultant shall additionally waive such rights either by endorsement to each policy or provide proof of such waiver in the policy itself.

11.14. **Report of Claims to Commission.** Consultant shall report to the Commission, in addition to the Consultant's insurer, any and all insurance claims submitted to Consultant's insurer in connection with the services under this Agreement.

11.15. **Premium Payments and Deductibles.** Consultant must disclose all deductibles and self-insured retention amounts to the Commission. The Commission may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within retention amounts. Ultimately, Commission must approve all such amounts prior to execution of this Agreement. Commission has no obligation to pay any premiums, assessments, or deductibles under any policy required in this Agreement. Consultant shall be responsible for all premiums and deductibles in all of Consultant's insurance policies. The amount of deductibles for insurance coverage required herein are subject to Commission's approval.

11.16. **Duty to Defend and Indemnify.** Consultant's duties to defend and indemnify Commission under this Agreement shall not be limited by the foregoing insurance requirements and shall survive the expiration or early termination of this Agreement.

12. MUTUAL COOPERATION

12.1. **Commission Cooperation in Performance.** Commission shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.

12.2. **Consultant Cooperation in Defense of Claims.** If any claim or action is brought against Commission relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that Commission may require in the defense of that claim or action.

13. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, email, or overnight courier service during Consultant's and Commission's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to Commission
Keene Simonds
Executive Officer
San Diego Local Agency Formation Commission
2550 Fifth Avenue, Suite 725
San Diego, California 92103-6624
Phone: 858-614-7755
Email: Keene.Simonds@sdcounty.ca.gov

If to Consultant
Gary London
Senior Principal
London Moeder Realty Advisors
5946 Priestly Drive, Suite 201
Carlsbad, California 92008
Phone: 619-269-4010
Email: glondon@londonmoeder.com

With courtesy copy to:
Holly O. Whatley, Esq.
General Counsel
Colantuono, Highsmith & Whatley, PC
790 E. Colorado Blvd.., Ste. 850
Pasadena, Angeles, CA 91101
Phone: 213-542-5700
Email: hwhatley@chwlaw.us

14. SURVIVING COVENANTS

The parties agree that the covenants contained in Section 5.12 (Records), Section 9.4 (Indemnification of CalPERS Determination), Section 10 (Indemnification), Section 11.8 (Claims-Made Policies), paragraph 11.13 (Waiver of Subrogation), Section 12.2 (Consultant Cooperation in Defense of Claims), Section 14 (Surviving Covenants), Section 16 (Interpretation of Agreement), and Section 19 (General Provisions) of this Agreement shall survive the expiration or termination of this Agreement, subject to the provisions and limitations of this Agreement and all otherwise applicable statutes of limitations and repose.

15. TERMINATION

15.1. **Commission Termination.** Commission may terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant agrees to cease all work

under this Agreement on or before the effective date of any notice of termination. All Commission data, documents, objects, materials or other tangible things shall be returned to Commission upon the termination or expiration of this Agreement.

15.2. **Consultant Termination.** Consultant may terminate this Agreement for a material breach of this Agreement by the Commission upon 30 days' notice.

15.3. **Compensation Following Termination.** Upon termination, Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement. The Commission shall have the benefit of such work as may have been completed up to the time of such termination.

15.4. **Remedies.** Commission retains any and all available legal and equitable remedies for Consultant's breach of this Agreement.

16. INTERPRETATION OF AGREEMENT

16.1. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.

16.2. **Integration of Exhibits.** All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the provisions of this Agreement and its exhibits, the provisions of this Agreement shall prevail. In the event of any material discrepancy between the express provisions of this Agreement and the exhibits of this Agreement, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between Commission and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on by Commission and Consultant.

16.3. **Headings.** The headings and captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the language of the section or paragraph shall control and govern in the construction of this Agreement.

16.4. **Pronouns.** Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

16.5. **Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such

event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

16.6. **No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.

17. CONFLICT OF INTEREST DISCLOSURE

Pursuant to Government Code Section 1097.6, subdivision (c)(1), "[The] [C]onsultant's duties and services under this agreement shall not include preparing or assisting the public entity with any portion of the public entity's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the public entity. The public entity entering this agreement shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. [C]onsultant's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. [C]onsultant shall cooperate with the public entity to ensure that all bidders for a subsequent contract on any subsequent phase of this project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by [Consultant] pursuant to this agreement."

18. GENERAL PROVISIONS

18.1. **Confidentiality.** All data, documents, discussion, or other information developed or received by Consultant for performance of this Agreement are deemed confidential and Consultant shall not disclose it without prior written consent by Commission. Commission shall grant such consent if disclosure is legally required. All Commission data shall be returned to Commission upon the termination or expiration of this Agreement.

18.2. **Conflicts of Interest.** Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subcontractor to file, a Statement of Economic Interest with the Commission's Filing Officer if required under state law in the performance of the services. For breach or violation of this warranty, Commission shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of Commission, during the term of his or her service with Commission, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

18.3. **Non-assignment.** Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without Commission's prior written consent, and any attempt to do so shall be void and of no effect. Commission shall not be obligated or liable under this Agreement to any party other than Consultant.

18.4. **Binding on Successors.** This Agreement shall be binding on the successors and assigns of the parties.

18.5. **No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.

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

18.7. **Non-Discrimination.** Consultant shall not discriminate against any employee or applicant for employment because of race, sex (including pregnancy, childbirth, or related medical condition), creed, national origin, color, disability as defined by law, disabled veteran status, Vietnam veteran status, religion, age (40 and above), medical condition (cancer-related), marital status, ancestry, or sexual orientation. Employment actions to which this provision applies shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; or in terms, conditions or privileges of employment, and selection for training. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, the provisions of this nondiscrimination clause.

18.8. **Waiver.** No provision, covenant, or condition of this Agreement shall be deemed to have been waived by Commission or Consultant unless in writing signed by one authorized to bind the party asserted to have consented to the waiver. The waiver by Commission or Consultant of any breach of any provision, covenant, or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other provision, covenant, or condition.

18.9. **Excused Failure to Perform.** Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in Commission's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Consultant.

18.10. **Remedies Non-Exclusive.** Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any or all of such other rights, powers or remedies.

18.11. **Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs expended in the action.

18.12. **Venue.** The venue for any litigation shall be San Diego County, California and Consultant hereby consents to sole jurisdiction in San Diego County for purposes of resolving any dispute or enforcing any obligation arising under this Agreement.

18.13. **Counterparts; Electronic Signatures.** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument. The parties acknowledge and agree that this Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed or emailed versions of an original signature, electronically scanned and transmitted versions (e.g., via pdf) of an original signature, or a digital signature.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

"COMMISSION"
San Diego County Local Agency Formation Commission

Authorized Signatories:

Signature: Keene Simonds

Printed: Keene Simonds

Title: Executive Officer

Date: July 8, 2026

"CONSULTANT"
London Moeder Realty Advisors

Signature: Gary H. Lanpon

Printed: GARY H. LANPON

Title: Senior Principal

Date: July 4, 2026

Attest:

Signature: Erica A. Sellen

Printed: Erica Sellen

Title: Commission Clerk

Date: July 9, 2026

Approved as to Form:

Signature: Holly Whatley

Printed: Holly Whatley

Title: Commission Counsel

Date: July 9, 2026

EXHIBIT A
Scope of Services

Scope of Work and Schedule

The following scope of work is organized to align with the sample scope provided in Appendix A of the RFP, while reflecting LMA's proposed methodology and approach. The scope is designed to satisfy all statutory requirements under Government Code §§56800–56815 and LAFCO's local policies.

Task 1: Project Initiation and Boundary Scenarios

LMA will coordinate with LAFCO staff to confirm project assumptions, schedule, deliverables, and data requirements. We will conduct a kickoff meeting to establish communication protocols and stakeholder coordination procedures. We will identify and evaluate alternative boundary scenarios early in the process to assess fiscal, service, and revenue-neutrality impacts, incorporating approved boundary scenarios into all subsequent analyses.

- Deliverable: Project work plan, communication protocol, boundary scenario analysis memorandum

Task 2: Data Collection and Verification

LMA will prepare a comprehensive inventory of existing agencies and public service providers within the proposed incorporation area. We will coordinate the collection of financial and service-level data from all affected public agencies, including the City of San Diego, relevant special districts, franchise agencies, school districts, and the County. All data will be reviewed and validated for consistency, accuracy, and statutory compliance, with documented assumptions and methodologies where data must be estimated or adjusted.

- Deliverable: Data collection matrix, validated base-year financial data summary

Task 3: Service Plan Analysis

We will analyze existing and proposed municipal service responsibilities, evaluating whether services would be provided directly by the new city or through contractual arrangements. The analysis will cover all required and optional municipal services, including public safety, public works, land use planning, community services, utilities, and other municipal functions. We will identify agencies affected by service transfers and assess alternative service delivery models, including staffing, contracting, and governance structures.

- Deliverable: Municipal service plan analysis with alternative delivery model evaluation

Task 4: Base Year Costs and Revenues

LMA will develop estimates of base-year municipal service costs based on service assumptions established in Task 3, including all direct and indirect costs. We will identify administrative cost reductions to affected agencies resulting from service transfers and establish base-year revenues consistent with statutory requirements. Cost assumptions will be benchmarked against comparable California cities.

- Deliverable: Base-year cost and revenue estimates with benchmarking analysis

Task 5: Property Tax Transfer Calculation

We will calculate the estimated property tax transfer from the City of San Diego, County of San Diego, and/or affected special districts to the proposed City of La Jolla pursuant to Government Code §56810. The calculation will apply the Auditor-Controller's ratio methodology and thoroughly document all assumptions, data sources, and methodologies.

- Deliverable: Property tax transfer calculation memorandum

Task 6: Revenue Neutrality Analysis and Mitigation

LMA will evaluate fiscal impacts to all affected agencies to determine whether the incorporation would result in negative financial effects. We will identify and quantify revenue neutrality impacts and develop mitigation measures and payment scenarios to achieve revenue neutrality, including adjustments for alternative boundary configurations. The revenue neutrality analysis will model multiple scenarios to provide LAFCO and the negotiating parties with a range of defensible options.

- Deliverable: Revenue neutrality impact analysis with mitigation payment scenarios

Task 7: Budget Projections

We will prepare 10-year budget projections for the proposed City of La Jolla, including all projected revenues, expenditures, and impacts to affected agencies. Projections will be presented on a cash basis with clearly stated assumptions for inflation factors, growth rates, and economic conditions. The projections will exceed the statutory minimum of three years, covering the first 10 fiscal years as directed by LAFCO staff.

- Deliverable: 10-year budget projection model and summary tables

Task 8: Appropriations Limit Analysis

LMA will estimate the proposed city's appropriations limit pursuant to Government Code §56812, documenting assumptions related to population growth, inflation, and proceeds of taxes. The analysis will provide sufficient information to support future voter consideration of a permanent appropriations limit.

- Deliverable: Appropriations limit calculation and supporting documentation

Task 9: Transition Period and Effective Date Analysis

We will analyze fiscal implications associated with the anticipated effective date of incorporation and the transition period between incorporation and full assumption of municipal service responsibility. The analysis will estimate potential reimbursement to the City of San Diego for the net cost of services during the transition period and identify cash flow considerations and startup funding needs.

- Deliverable: Transition period fiscal impact memorandum

Task 10: Financial Feasibility Determination

LMA will evaluate whether the proposed city is expected to receive sufficient revenues to provide services and maintain reasonable reserves during the first 10 fiscal years following incorporation. The feasibility determination will consider economic, legal, social, and operational factors, with findings clearly summarized to support LAFCO's required determinations.

- Deliverable: Financial feasibility determination and summary findings

Task 11: Reporting and Deliverables

We will prepare a clear, well-documented CFA suitable for inclusion in LAFCO's Executive Officer's report. The CFA will include comprehensive tables, figures, and appendices that transparently present assumptions, calculations, and results. LMA principals will participate in meetings with LAFCO staff and attend public hearings, meetings, or workshops as requested by LAFCO throughout the process.

- Deliverable: Draft CFA, Final CFA, Executive Summary, presentations as requested

Project Schedule

The following proposed preliminary schedule aligns with LAFCO's anticipated timeline, with work commencing in April 2026 and a draft CFA delivered by April 2027:

Task / Milestone	Target Start	Target Completion
Contract Execution & Kickoff	April 2026	April 2026
Task 1: Project Initiation & Boundary Scenarios	April 2026	May 2026
Task 2: Data Collection & Verification	May 2026	July 2026
Task 3: Service Plan Analysis	June 2026	August 2026
Task 4: Base Year Costs & Revenues	July 2026	September 2026
Task 5: Property Tax Transfer Calculation	August 2026	October 2026
Task 6: Revenue Neutrality Analysis	September 2026	November 2026
Task 7: Budget Projections (10-Year)	October 2026	December 2026
Task 8: Appropriations Limit Analysis	November 2026	December 2026
Task 9: Transition Period Analysis	December 2026	January 2027
Task 10: Financial Feasibility Determination	January 2027	February 2027
Task 11: Draft CFA Preparation	February 2027	March 2027
Draft CFA Release to LAFCO	—	**April 2027**
Public Review & Revisions	April 2027	May 2027
Final CFA Delivery	—	**June 2027**

Note: The above schedule is subject to adjustment based on data availability, stakeholder responsiveness, and LAFCO direction. Several tasks will run concurrently to maintain the overall timeline. LMA will provide monthly progress updates to LAFCO staff.

Budget

The total proposed budget for the Comprehensive Fiscal Analysis is $170,000. This budget encompasses all professional services, data acquisition, analysis, reporting, and presentations as outlined in the scope of work. We have prepared our budget breakdown by major task area, as follows:

Task / Category	Estimated Fee
Task 1: Project Initiation & Boundary Scenarios	$9,500
Task 2: Data Collection & Verification	$13,000
Task 3: Service Plan Analysis	$13,000
Task 4: Base Year Costs & Revenues	$12,500
Task 5: Property Tax Transfer Calculation	$11,000
Task 6: Revenue Neutrality Analysis & Mitigation	$14,000
Task 7: Budget Projections (10-Year)	$13,500
Task 8: Appropriations Limit Analysis	$8,500
Task 9: Transition Period & Effective Date Analysis	$10,500
Task 10: Financial Feasibility Determination	$9,500
Task 11: Reporting, Deliverables & Presentations	$13,500
Data Acquisition & Third-Party Costs	$9,500
Project Management & Stakeholder Coordination	$12,000
Total Budget	**$150,000**

Staffing Plan and Billing Rates

Team members and leadership will participate in each task, contributing their time, as follows:

Team Member	Role	Hourly Rate	Est. Hours	Total
Gary H. London	Senior Principal	$450	75	$33,750
Nathan Moeder	Principal / Project Lead	$450	119	$53,550
	Senior Analysts	$275	228	$62,700
				$150,000

Invoicing Schedule

London Moeder Advisors (LMA) shall submit monthly invoices in the amount of $13,333.33 for up to nine consecutive months. Cumulative payments during this period shall not exceed $120,000, representing 80% of the total not-to-exceed contract amount.

If LMA completes and submits all required work before the end of the nine-month period, LMA may, no earlier than the conclusion of the sixth month, submit an invoice for the remaining amount necessary to bring cumulative payments to $120,000.

The remaining $30,000, representing 20% of the contract amount, shall be retained by LAFCO and paid only upon LAFCO's receipt and acceptance of all final deliverables. Total compensation under the agreement shall not exceed $150,000.