

RESOLUTION NO. 2644

**A RESOLUTION OF THE CITY COUNCIL/REDEVELOPMENT AGENCY
OF THE CITY OF SOLEDAD AUTHORIZING THE CITY MANAGER
TO ENTER INTO A CONTRACT WITH STEPHEN A. NUKES &
ASSOCIATES FOR A COMMUNITY PROFILE AND
ECONOMIC ANALYSIS TOTALING \$12,500, PLUS
EXPENSES NOT TO EXCEED \$1,250 AND
APPROPRIATING SAME FROM THE
REDEVELOPMENT AGENCY FUND
BALANCE**

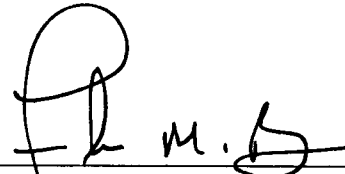
BE IT RESOLVED that the City Council/Redevelopment Agency of the City of Soledad hereby authorizes and directs the City Manager/City Clerk, for and in behalf of the City/Redevelopment Agency, to enter into a contract, hereunto attached marked, "Exhibit A," and by reference made a part hereof, with Stephen A. Nukes & Associates for a Community Profile and Economic Analysis Totaling \$12,500, plus expenses not to exceed \$1,250 and appropriating same from the Redevelopment Agency Fund

PASSED AND ADOPTED by the City Council/Redevelopment Agency of the City of Soledad at a regular meeting duly held on the 19th day of November, 1997, by the following vote:

AYES, and in favor thereof, Councilmembers: Ben Jimenez, Jr., Fred Ledesma, Richard Ortiz, Mayor Pro Tem Gary Gerbrandt

NOES, Councilmembers: None

ABSENT, Councilmembers: Mayor Fabian Barrera



MAYOR OF THE CITY OF SOLEDAD

ATTEST:



CITY CLERK OF THE CITY OF SOLEDAD

Stephen A. Nukes & Associates

Management Strategy and Economic Consultants

Fremont Plaza
1250 Peach Street, Suite B1
San Luis Obispo, CA 93401
Office (805) 541-2077
Fax (805) 541-2117

*The City of
Soledad*

*Community Profile
and
Economic Benefit Analysis*

Preliminary Agreement

Prepared for:

THE CITY OF SOLEDAD

August 1997

Exhibit "A"

MANAGEMENT CONSULTING SERVICES AGREEMENT

The City of Soledad

Community Profile and Economic Benefit Analysis

AGREEMENT PURPOSE

Stephen A. Nukes and Associates will provide the City of Soledad with a Community Profile to highlight the population demographics, economic status and available resources in the City of Soledad. The Profile will include comparative information on the City of Soledad and the adjacent communities of Greenfield and Gonzales. Also included will be projected financial statements for tax revenues for a 5 year period. This Community Profile will be used in relations with potential investors, businesses and developers to show the increasing economic stability and viability of the area.

The Profile will quantify and analyze the economic status of the area and identify potential areas for expansion. Stephen A. Nukes and Associates is being retained by Soledad to perform services as outlined below.

SCOPE OF SERVICES

Following are the specific phases and activities that will be performed:

- *Phase I* Review of Current Condition
- *Phase II* Analysis of Community Profile
- *Phase III* Development of Community Profile Report

All reports will be completed in our standard report format, which includes narrative, basic tables and basic graphs. Any additional graphics, reports or designs from information given in the report are the responsibility of the City of Soledad.

PHASE I: REVIEW OF CURRENT CONDITION

- We will research and analyze the current status of the City of Soledad, specifically focusing on the following areas:

- Population and Demographics
- Economic Base
 - Employment Trends
 - Top Industries
 - Top Employers
 - Existing Businesses
- Economic Development Resources
- Retail Sales Analysis
- Construction Analysis
 - Residential Developments
 - Commercial and Industrial Developments
- Educational Institutions
- Transportation
 - Commuter Patterns
- Public and Utility Services
- Health and Safety
- Lifestyle and Recreation
- Community Resources
 - Churches
 - Visitor Attractions

PHASE II: ANALYSIS OF COMMUNITY PROFILE

- We will conduct a Property Tax Revenue Analysis to determine the allocation of revenues to the City of Soledad and the Special Districts.
- We will compare the City of Soledad to the surrounding communities of Greenfield and Gonzales in the following areas:

- Agriculture
- Construction
- Employment
- Population and Migration
- Real Estate
- Retail Sales
- Tourism

- We will illustrate the strong economic position of the City of Soledad to support increased investment and growth.
- We will highlight key findings to be used to reposition the City and to foster the desired growth.

PHASE III: DEVELOPMENT OF COMMUNITY PROFILE REPORT

- We will develop a Community Profile Report to be presented to the City of Soledad, the City Council and the Planning Commission as well as potential investors, developers and businesses and the general public. This report will be delivered in hard copy as well as electronically for internal duplication.

ADDITIONAL ACTIVITIES

Services under this agreement include the above activities. Additional services as requested or deemed necessary including additional presentations and meetings above those scheduled and additional economic scenarios will be billed at the current hourly consulting rate or a mutually agreed upon fee. Also available are the following:

News Release

We are available to prepare news releases of key findings for presentation to the media. These can prove very beneficial by bringing positive publicity and enhanced awareness to the City of Soledad.

Meetings and Presentations

We are available to meet as part of the Planning Team and present our findings and the economic benefits of the area to the City Council, the Planning Commission and at other public hearings and meetings as deemed appropriate by the City of Soledad under our standard terms and conditions.

Fees for Additional Activities

Economic Benefits News Release	\$1,500.00 plus expenses
Meetings and Public Presentations (3 hour minimum for preparation and presentation)	\$125/hour plus expenses

Monterey County Economic Forecast Sponsorship

The City of Soledad will be provided a 1 year Monterey County Economic Forecast Sponsorship. The sponsorship will include 10 admissions to both the Annual and the Mid-Year Monterey County Economic Forecast Conferences and an economic briefing to the City Council or other key community groups. Any out of pocket expenses for presentation are additional.

FEE'S AND COSTS

These activities will be completed for a fixed fee of \$12,500.00 plus any out of pocket expenses. The following phases are included in the fee.

- Phase I Review of Current Condition
- Phase II Analysis of the Community Profile
- Phase III Final Community Profile Report

Expenses include Consultant's out of pocket costs for long distance telephone charges, fax charges, report preparation and copying, any overnight lodging and meals, mileage and meeting expenses. Mileage is billed at \$40 \$31 per mile, all other expenses are billed at cost plus 10% for administrative overhead and handling. Expenses will not exceed 10% of the Project Fee, or \$1,250.

PAYMENT SCHEDULE

The project fee of \$12,500 is divided into the following payment points. An initial retainer of \$8,750.00 is required under this agreement and will be billed upon signing of the agreement. The remainder of the project fee will be billed as follows.

<i>Payment 1:</i> Initial Retainer		\$8,750.00
	Due upon signing of agreement	
<i>Payment 2:</i> Phase I	Review of Current Condition	\$2,500.00
	Due upon initial research results presentation to Soledad City Manager	plus expenses*
<i>Payment 3:</i> Phase II	Analysis of the Community Profile	\$1,000.00
	Due upon Preliminary Community Profile Report presentation	plus expenses*
<i>Payment 4:</i> Phase III	Final Community Profile Report	\$250.00
	Due upon final presentation to City Manager and Planning Commission	<u>plus expenses*</u>
Total Project Fee		\$12,500
		plus expenses*

*Total expenses will not exceed 10% of the project fee, or \$1,250.

All payments are due upon statement presentation. A charge of 1% will be added to all payments due over 30 days.

PROJECT TIMING

The normal timeline for a project of this scope is 8 to 10 weeks. A tentative schedule will be determined upon signing of this agreement. The City of Soledad will be notified immediately of any changes or delays in the schedule.

AGREEMENT TERMS AND CONDITIONS

The terms of this agreement are such that we have no obligation to revise any financial projections we may prepare to reflect events or conditions which occur subsequent to the date of their preparation. However, we will be available to discuss the necessity for such revisions if changes in economic, financial or market factors occur.

Since any projections will be based on estimates and assumptions which are inherently subject to uncertainty and variation depending upon evolving events, we will not represent them as results that will actually be achieved. Our findings and reports are intended solely for the information of our client. They may not be reproduced or included in any other document without our prior review and consent.

CONFIDENTIALITY

All information received will be considered confidential and will not be disclosed to any outside parties unless authorized.

STEPHEN A. NUKES & ASSOCIATES CONSULTING STAFF

A team of experienced Consulting Analysts will be assigned to this project. The team will be led by a Senior Project Manager of Stephen A. Nukes & Associates.

Our staff has extensive background in economic analysis, financial analysis, marketing, and strategy planning and development. We also have the computer resources to provide a range of financial and strategic analyses. These analyses provide a set of options, allow examination of the financial and managerial impacts of each, and indicate the best strategic choice or choices to achieve client goals.

STEPHEN A. NUKES & ASSOCIATES

THE CITY OF SOLEDAD

BY: Stephen Nukes

BY: Belinda B. Espinosa

TITLE: President

TITLE: CITY MANAGER

DATE: 12/9/97

DATE: 12/2/97

Stephen A. Nukes & Associates

Management Strategy and Economic Consultants

STEPHEN A. NUKES & ASSOCIATES BACKGROUND AND CAPABILITY

Stephen A. Nukes & Associates is a full service management consulting firm specializing in strategic planning and economic and market research. We have been serving the Central Coastal Region since 1975. We have provided clients with the Central Coastal Economic Forecast since 1984. We provide independent assessments of the growth and demographic changes taking place in the Central coastal Region and the strategic effects of these changes for both businesses and public agencies. We perform a wide variety of research tailored to individual client needs and develop financial, marketing, or policy strategies to creatively meet client objectives.

Among the areas we cover are the following:

- Strategic Economic and Marketing Planning
- Economic Forecasting and Analysis Services
- Development Project Feasibility Studies
- Retail and Demographic Analysis, Market Surveys and Focus Groups
- Management Briefings and Individual Consultations

In all our engagements we are committed to providing clear cut information and implementable results while meeting critical client time requirements.

Our staff has extensive background in Finance, Accounting, and Marketing. We also have the computer resources to provide a range of Financial and Strategic Analysis, determine the consequences of various options and assist in the selection of the best strategic course or courses.

Stephen A Nukes has over 24 years business experience and an M.B.A. Degree in finance and Marketing from the UCLA Graduate School of Management. He has worked for such companies as IBM Corporation, Transamerica Corporation, and taught Finance, Business, Marketing and Computer Science at California Polytechnic State University in San Luis Obispo. He has also lectured extensively on Business Financial Strategy, Organization Strategies, Marketing, Marketing Survey Techniques, and methods to maximize revenue and overall results.

Stephen A. Nukes & Associates

Management Strategy and Economic Consultants

REPRESENTATIVE LIST OF CLIENT REFERENCES

The following is a partial list of client references who have used our Strategic Planning, Market Analysis or Market Forecasting services.

Private Industry Clients:

Atascadero Mutual Water Company	Pacific Gas & Electric Co.
All Valley Mortgage	Pebble Beach Company
ARCS Mortgage	Roger Snellenberger & Assoc.
Bank of America	Rossetti Company
Bonita American	Santa Maria Public Airport Dist.
Cambria Business Park	Santa Barbara Savings & Loan
Castil Corporation	Santa Lucia Bank
Century 21, Commercial Investment Division	Santa Lucia Hills, Inc.
Century Federal Savings	Seacoast Financial
Coldwell Banker, Commercial Division	Sea Group West
Commerce Bank	Spyglass Properties
Don Lee Realty Investments	Squire Developments
First American Title Insurance Company	Sykes Group
Great Western Bank	T.L. Robak
Golden West Development Corporation	Wells Fargo Bank
H & A Financial	
Hacienda Bank	
Hanson Enterprises	
Heritage Oaks Bank	<i>City and Government Agencies:</i>
Home Base of America	The City of Atascadero
Invest West Financial Corporation	The City of Lompoc
J.H. Edwards Company	The City of Morro Bay
La Croix Developers	The City Pismo Beach
La Cumbre Savings Bank	The City of Redondo Beach
Lifestyle Development	The City of San Luis Obispo
Halferty Company	The County of San Luis Obispo
Manchester Mortgage Company	Port San Luis Harbor District
Midland Pacific Building Corporation	The County of Monterey
Midstate Bank	The City of Monterey
Ozark Industries	CSU - Monterey Bay
Pacific Coastline Corporation	