

**CONSULTANT AGREEMENT  
CITY OF SANTA ANA**

THIS AGREEMENT is made and entered into on this 18<sup>th</sup> day of August, 2021, by and between Health Management Associates, Inc., a Michigan corporation (“Consultant”), and the City of Santa Ana, a charter city and municipal corporation organized and existing under the Constitution and laws of the State of California (“City”).

**RECITALS**

- A. On April 13, 2021, the City issued Request for Proposal 21-054 (“RFP”) seeking proposals from qualified vendors having special skill and knowledge in the field of feasibility and fiscal evaluation services for a municipal public health agency for the City.
- B. A total of 191 professional consultants were notified of the RFP and Consultant was the sole respondent to timely submit a responsive proposal, which was selected by the City. Consultant represents that it is able and willing to provide such services to the City as described in the RFP and Consultant’s proposal, which are incorporated by reference as though fully attached hereto.
- C. In undertaking the performance of this Agreement, Consultant represents that it is knowledgeable in its field and that any services performed by Consultant under this Agreement will be performed in compliance with such standards as may reasonably be expected from a professional consulting firm in the field.

**NOW THEREFORE**, in consideration of the mutual and respective promises, and subject to the terms and conditions hereinafter set forth, the parties agree as follows:

**1. SCOPE OF SERVICES**

Consultant shall perform during the term of this Agreement, the tasks and obligations including all labor, materials, tools, equipment, and incidental customary work required to fully and adequately complete the services described and set forth in the Scope of Services attached hereto as **Exhibit A**.

**2. COMPENSATION**

- a. City agrees to pay, and Consultant agrees to accept as total payment for its services for City, the rates and charges identified in the Budget attached hereto as **Exhibit B**. The total sum to be expended under this Agreement shall not exceed One Hundred and Eighty Thousand Eight Hundred and Thirty Dollars (\$180,830.00), which includes Ten Thousand Dollars (\$10,000.00) in contingency, during the Term of this Agreement.
- b. Payment by City shall be made within forty-five (45) days following receipt of proper invoice evidencing work performed, subject to City accounting procedures. Payment need not be made for work which fails to meet the standards of performance set forth in the Recitals which may reasonably be expected by City.

### 3. TERM

This Agreement shall commence on August 18, 2021, and terminate on August 18, 2022, in accordance with the Timeline attached hereto as **Exhibit C**, unless terminated earlier in accordance with Section 15, below. The term of this Agreement may be extended upon a writing executed by the City Manager and the City Attorney.

### 4. INDEPENDENT CONTRACTOR

Consultant shall, during the entire term of this Agreement, be construed to be an independent contractor and not an employee of the City. This Agreement is not intended nor shall it be construed to create an employer-employee relationship, a joint venture relationship, or to allow the City to exercise discretion or control over the professional manner in which Consultant performs the services which are the subject matter of this Agreement; however, the services to be provided by Consultant shall be provided in a manner consistent with all applicable standards and regulations governing such services. Consultant shall pay all salaries and wages, employer's social security taxes, unemployment insurance and similar taxes relating to employees and shall be responsible for all applicable withholding taxes.

### 5. OWNERSHIP OF MATERIALS

This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents & Data"). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were provided to Consultant by the City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

### 6. INSURANCE

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

- a. MINIMUM SCOPE AND LIMIT OF INSURANCE Coverage shall be at least as broad as:

- 1. *Commercial General Liability (CGL)*: Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed

operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. *Automobile Liability:* Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
  3. *Workers' Compensation:* insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease (Not required if consultant provides written verification it has no employees).
  4. *Professional Liability (Errors and Omissions):* Insurance appropriate to the Consultant's profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate.
  5. If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.
- b. Other Insurance Provisions – The insurance policies are to contain, or be endorsed to contain, the following provisions:
1. *Additional Insured Status:* The City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).
  2. *Primary Coverage:* For any claims related to this contract, the Consultant's insurance coverage shall be primary coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
  3. *Notice of Cancellation:* Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the City.
  4. *Waiver of Subrogation:* Consultant hereby grants to City a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of

subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

5. *Self-Insured Retentions:* Self-insured retentions must be declared to and approved by the City. The City may require the Consultant to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.
6. *Acceptability of Insurers:* Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.
7. *Claims Made Policies:* If any of the required policies provide coverage on a claims-made basis:
  1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
  2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
  3. 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.
8. *Verification of Coverage:* Consultant shall furnish the City with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
9. *Subcontractors:* Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that City is an additional insured on insurance required from subcontractors.
10. *Special Risks or Circumstances:* City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

## **7. INDEMNIFICATION**

Consultant agrees to defend, and shall indemnify and hold harmless the City, its officers, agents, employees, contractors, special counsel, and representatives from liability: (1) for personal injury, damages, just compensation, restitution, judicial or equitable relief arising out of claims for personal injury, including death, and claims for property damage, which may arise from the negligent operations of the Consultant, its subcontractors, agents, employees, or other persons acting on its behalf which relates to the services described in section 1 of this Agreement; and (2) from any claim that personal injury, damages, just compensation, restitution, judicial or equitable relief is due by reason of the terms of or effects arising from this Agreement. This indemnity and hold harmless agreement applies to all claims for damages, just compensation, restitution, judicial or equitable relief suffered, or alleged to have been suffered, by reason of the events referred to in this Section or by reason of the terms of, or effects, arising from this Agreement. The Consultant further agrees to indemnify, hold harmless, and pay all costs for the defense of the City, including fees and costs for special counsel to be selected by the City, regarding any action by a third party challenging the validity of this Agreement, or asserting that personal injury, damages, just compensation, restitution, judicial or equitable relief due to personal or property rights arises by reason of the terms of, or effects arising from this Agreement. City may make all reasonable decisions with respect to its representation in any legal proceeding. Notwithstanding the foregoing, to the extent Consultant's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

## **8. INTELLECTUAL PROPERTY INDEMNIFICATION**

Consultant shall defend and indemnify the City, its officers, agents, representatives, and employees against any and all liability, including costs, for infringement of any United States' letters patent, trademark, or copyright infringement, including costs, contained in the work product or documents provided by Consultant to the City pursuant to this Agreement.

## **9. RECORDS**

Consultant shall keep records and invoices in connection with the work to be performed under this Agreement. Consultant shall maintain complete and accurate records with respect to the costs incurred under this Agreement and any services, expenditures, and disbursements charged to the City for a minimum period 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 records and invoices shall be clearly identifiable. Consultant shall allow a representative of the City to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement during regular business hours. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement for a period of three (3) years from the date of final payment to Consultant under this Agreement.

**10. CONFIDENTIALITY**

If Consultant receives from the City information which due to the nature of such information is reasonably understood to be confidential and/or proprietary, Consultant agrees that it shall not use or disclose such information except in the performance of this Agreement, and further agrees to exercise the same degree of care it uses to protect its own information of like importance, but in no event less than reasonable care. "Confidential Information" shall include all nonpublic information. Confidential information includes not only written information, but also information transferred orally, visually, electronically, or by other means. Confidential information disclosed to either party by any subsidiary and/or agent of the other party is covered by this Agreement. The foregoing obligations of non-use and nondisclosure shall not apply to any information that (a) has been disclosed in publicly available sources; (b) is, through no fault of the Consultant disclosed in a publicly available source; (c) is in rightful possession of the Consultant without an obligation of confidentiality; (d) is required to be disclosed by operation of law; or (e) is independently developed by the Consultant without reference to information disclosed by the City.

**11. CONFLICT OF INTEREST CLAUSE**

Consultant covenants that it presently has no interests and shall not have interests, direct or indirect, which would conflict in any manner with performance of services specified under this Agreement.

**12. NON-DISCRIMINATION**

Consultant shall not discriminate because of race, color, creed, religion, sex, marital status, sexual orientation, gender identity, gender expression, gender, medical conditions, genetic information, or military and veteran status, age, national origin, ancestry, or disability, as defined and prohibited by applicable law, in the recruitment, selection, teaching, training, utilization, promotion, termination or other employment related activities or any services provided under this Agreement. Consultant affirms that it is an equal opportunity employer and shall comply with all applicable federal, state and local laws and regulations.

**13. EXCLUSIVITY AND AMENDMENT**

This Agreement represents the complete and exclusive statement between the City and Consultant, and supersedes any and all other agreements, oral or written, between the parties. In the event of a conflict between the terms of this Agreement and any attachments hereto, the terms of this Agreement shall prevail. This Agreement may not be modified except by written instrument signed by the City and by an authorized representative of Consultant. The parties agree that any terms or conditions of any purchase order or other instrument that are inconsistent with, or in addition to, the terms and conditions hereof, shall not bind or obligate Consultant or the City. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which is not embodied herein.

**14. ASSIGNMENT**

Inasmuch as this Agreement is intended to secure the specialized services of Consultant, Consultant may not assign, transfer, delegate, or subcontract any interest herein without the prior written consent of the City and any such assignment, transfer, delegation or subcontract without the City's prior written consent shall be considered null and void. Nothing in this Agreement shall be construed to limit the City's ability to have any of the services which are the subject to this Agreement performed by City personnel or by other contractors retained by City.

**15. TERMINATION**

This Agreement may be terminated by the City upon thirty (30) days written notice of termination. In such event, Consultant shall be entitled to receive and the City shall pay Consultant compensation for all services performed by Consultant prior to receipt of such notice of termination, subject to the following conditions:

- a. As a condition of such payment, the Executive Director may require Consultant to deliver to the City all work product(s) completed as of such date, and in such case such work product shall be the property of the City unless prohibited by law, and Consultant consents to the City's use thereof for such purposes as the City deems appropriate.
- b. Payment need not be made for work which fails to meet the standard of performance specified in the Recitals of this Agreement.

**16. WAIVER**

No waiver of breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure or right, or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

**17. JURISDICTION - VENUE**

This Agreement has been executed and delivered in the State of California and the validity, interpretation, performance, and enforcement of any of the clauses of this Agreement shall be determined and governed by the laws of the State of California. Both parties further agree that Orange County, California, shall be the venue for any action or proceeding that may be brought or arise out of, in connection with or by reason of this Agreement.

**18. PROFESSIONAL LICENSES**

Consultant shall, throughout the term of this Agreement, maintain all necessary licenses, permits, approvals, waivers, and exemptions necessary for the provision of the services hereunder and required by the laws and regulations of the United States, the State of California, the City of Santa Ana and all other governmental agencies. Consultant shall notify the City immediately and

in writing of its inability to obtain or maintain such permits, licenses, approvals, waivers, and exemptions. Said inability shall be cause for termination of this Agreement.

## 19. NOTICE

Any notice, tender, demand, delivery, or other communication pursuant to this Agreement shall be in writing and shall be deemed to be properly given if delivered in person or mailed by first class or certified mail, postage prepaid, or sent by fax or other telegraphic communication in the manner provided in this Section, to the following persons:

To City:

Clerk of the City Council  
City of Santa Ana  
20 Civic Center Plaza (M-30)  
P.O. Box 1988  
Santa Ana, CA 92702-1988  
Fax: 714- 647-6956

With courtesy copies to:

Executive Director  
Community Development Agency  
City of Santa Ana  
20 Civic Center Plaza (M-xx)  
P.O. Box 1988  
Santa Ana, California 92702

To Consultant:

<p>Kelly Johnson Chief Administrative Officer Health Management Associates, Inc. 120 North Washington Square, Suite 705 Lansing, MI, 48933 Fax – 517-482-0920</p>
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A party may change its address by giving notice in writing to the other party. Thereafter, any communication shall be addressed and transmitted to the new address. If sent by mail, communication shall be effective or deemed to have been given three (3) days after it has been deposited in the United States mail, duly registered or certified, with postage prepaid, and addressed as set forth above. If sent by fax, communication shall be effective or deemed to have been given twenty-four (24) hours after the time set forth on the transmission report issued by the transmitting facsimile machine, addressed as set forth above. For purposes of calculating these time frames, weekends, federal, state, County or City holidays shall be excluded.



**20. MISCELLANEOUS PROVISIONS**

- a. Each undersigned represents and warrants that its signature herein below has the power, authority and right to bind their respective parties to each of the terms of this Agreement, and shall indemnify City fully, including reasonable costs and attorney's fees, for any injuries or damages to City in the event that such authority or power is not, in fact, held by the signatory or is withdrawn.
- b. The Agreement is the final and complete agreement and any prior or contemporaneous agreements for similar services between the parties is superseded by this Agreement. This shall not apply where the Parties are currently engaged and Consultant is providing services not contemplated by this Agreement
- c. All Exhibits referenced herein and attached hereto shall be incorporated as if fully set forth in the body of this Agreement.

*{Signatures on following page}*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the date and year first above written.

**ATTEST:**

**CITY OF SANTA ANA**

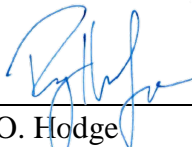
\_\_\_\_\_  
Daisy Gomez  
Clerk of the Council

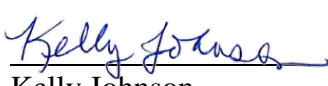
\_\_\_\_\_  
Kristine Ridge  
City Manager

**APPROVED AS TO FORM:**

SONIA R. CARVALHO  
City Attorney

**CONSULTANT:**

By:   
\_\_\_\_\_  
Ryan O. Hodge  
Assistant City Attorney

  
\_\_\_\_\_  
Kelly Johnson  
Chief Administrative Officer

**RECOMMENDED FOR APPROVAL:**

\_\_\_\_\_  
Steven Mendoza, Executive Director  
Community Development Agency

**EXHIBIT A**

SCOPE OF SERVICES

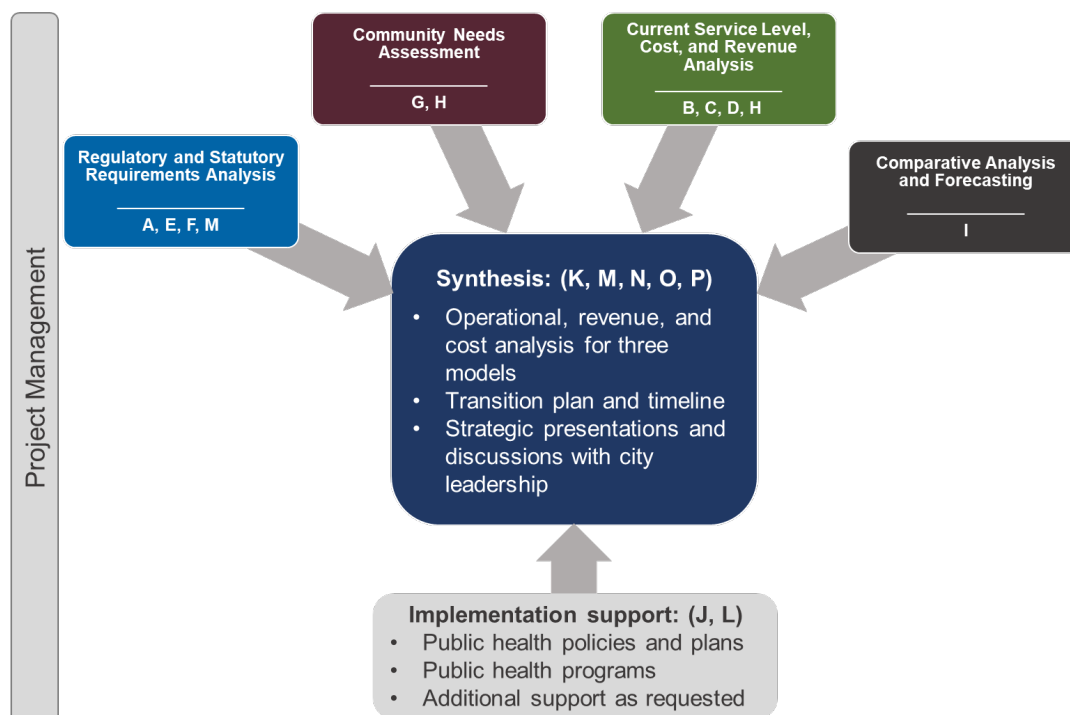
**FIGURE 4: OVERVIEW OF MANDATED RESPONSIBILITIES AND ADDITIONAL ASSUMED RESPONSIBILITIES OF PUBLIC HEALTH DEPARTMENTS**

Mandated Functions for Local Health Departments	Contractual Programs (Additional Assumed Responsibilities of Public Health Departments)
<ul style="list-style-type: none"> <li>Public health statistics data collection and analysis</li> <li>Health education programs</li> <li>Communicable disease control</li> <li>Maternal and child health services</li> <li>Environmental health and sanitation services</li> <li>Public health laboratory services</li> <li>Nutrition service</li> <li>Chronic disease prevention and/or mitigation</li> <li>Occupational health promotion</li> <li>Public health nursing</li> <li>Additional social supports</li> </ul>	<ul style="list-style-type: none"> <li>Behavioral health</li> <li>Mental health supports</li> <li>Smoking cessation programs</li> <li>Early care and education programs</li> <li>Ambulatory care</li> </ul> <p><i>Additional responsibilities are often based on award of federal and state discretionary grants.</i></p>

With this foundational knowledge and understanding of the complexities of public health delivery, our consulting team will provide the City with an accurate picture of the three options outlined in the RFP for informed policy evaluation and decision.

## ii. Anticipated Approach to the Scope Services

HMA's proposed approach to meeting the City's objectives is outlined in Figure 5 below. The letters correspond to the specific tasks identified in the City's Scope of Services. We have divided the request scope of services into four work streams, each led by a senior experienced member of the HMA team.

**FIGURE 5: APPROACH TO MEETING THE CITY'S OBJECTIVES**

The final deliverable, consistent with your RFP, will include a comparative analysis considering operational, cost, and revenue projections for the three alternative models:

- Full Service Municipal Health Agency
- Limited Municipal Health Agency
- Regional Health Model

Our draft report weighing the pros, cons, and considerations will inform and serve as the foundation for the critical strategic conversations that HMA will help facilitate with City leadership. HMA proposes to work with the City to establish a common criterion that will be applied to all three alternative models to inform the strategic conversation with the City. Suggested criteria may include cost, revenue potential, implementation risk, implementation complexity and other factors identified as priorities by the City.

Staff from HMA is available to provide implementation support, pending action by the City Council, to develop City of Santa Ana-specific health programs, policies, and plans. The cost associated with implementation support is not included in the proposal at this time.

### Proposed Work Streams

Figure 6 summarizes these four work streams cross-walked to the specific tasks outlined in the RFP. Further descriptions of each work stream and associated tasks are detailed in Figure 7.

**FIGURE 6: PROPOSED WORK STREAMS AND KEY QUESTIONS**

Proposed Work Streams and Key Questions	Crosswalk to the Scope of Services
<b>1. Regulatory and Statutory Requirements Analysis</b> <ul style="list-style-type: none"> <li>■ What are legally required mandates (state and federal) of public health departments?</li> <li>■ What are public health regulations and what are requirements to qualify for funding?</li> <li>■ What are the requirements of the regional health district?</li> </ul>	A, E, F, M
<b>2. Community Needs Assessment</b> <ul style="list-style-type: none"> <li>■ What do we know about current health conditions and issues for Santa Ana residents?</li> <li>■ What are the specific health issues facing Santa Ana residents and related health priorities?</li> <li>■ How did OCHCA's COVID-19 response address the needs of the City of Santa Ana?</li> </ul>	G, H
<b>3. Current Service Level, Cost, and Revenue Analysis</b> <ul style="list-style-type: none"> <li>■ What are current in-house and contracted services provided by OCHCA and related service levels (mandated and additional)?</li> <li>■ What are current service levels and services to Santa Ana?</li> <li>■ What are current costs and funding sources?</li> <li>■ What has been OCHCA's COVID-19 response?</li> <li>■ What are existing OCHCA public health accreditations?</li> </ul>	B, C, D
<b>4. Comparative Analysis and Forecasting</b> <ul style="list-style-type: none"> <li>■ What are examples of comparative municipal models – full service vs. limited service?</li> <li>■ What are the core public health services and related staffing, facilities, and certification requirements?</li> <li>■ What is the cost, service, and revenue data from these comparable municipal models?</li> <li>■ What are the lessons learned from these municipalities' experience and relevancy to Santa Ana?</li> </ul>	I
<b>Draft and Final Synthesis of Findings Related to the Three Models</b>	K, M, N, O, P

*Note: Given the unknowns of the selected model, we are unable to estimate the consulting hours needed at this time for developing public health policies, plans, and programs. Work associated with J and L in the scope of work are considered implementation support and not included in the submitted cost proposal. Please see section on Implementation Support in Figure 7 below.*

FIGURE 7: DESCRIPTIONS OF PROPOSED WORK STREAMS AND DELIVERABLES

Work Stream	Description and Deliverables
<b>1. Regulatory and Statutory Requirements Analysis</b>	<p>This first work stream will research and document federal and state requirements for a municipal public health function. State law and regulation define the required functions and activities of local public health departments (Title 17). The analysis will summarize the mandated public health services requirements and related implications for the City's consideration.</p> <p><i>Deliverable:</i> Summary memo/presentation of local health department regulatory and statutory requirements</p>
<b>2. Community Needs Assessment</b>	<p>The Community Needs Assessment is intended to provide an assessment of the health conditions and issues facing the City of Santa Ana and its residents. HMA will rely on existing data to support this analysis, including publicly available reports such as those listed below, to provide an assessment of the health issues and understand how Santa Ana compares to County averages and peer cities on key indicators of community health. Examples of reports that we will tap into include:</p> <ul style="list-style-type: none"> <li>■ 26th Annual Report on the Conditions of Children in Orange County</li> <li>■ Orange County Community Indicators 2020–21</li> <li>■ An Equity Profile of Orange County, March 2019, issued by USC Program for Environmental and Regional Equity</li> <li>■ Orange County Health Improvement Plan</li> <li>■ Other health need assessment reports, including those issued by the County, Children's Hospital of Orange County, and other philanthropic partners such as Irvine Health Foundation, Health Funders Partnership of Orange County, and the Health Care Foundation for Orange County</li> </ul> <p><i>Deliverable:</i> Summary memo/presentation of City of Santa Ana health needs</p>
<b>3. Current Service Level, Cost, and Revenue Analysis</b>	<p>This third component is intended to provide a comprehensive picture of the existing public health services provided by OCHCA to the City of Santa Ana. Specific tasks included in this work stream include:</p> <ul style="list-style-type: none"> <li>■ Identifying and segregating between mandated public health services and additional services provide to the City of Santa Ana, including those supported through grant and discretionary funds</li> <li>■ Determining the service level, cost, staffing, and associated revenue for all mandated public health services provided to the City of Santa Ana</li> <li>■ Identifying other supports and services provide to Santa Ana and associated costs as well as defining other benefits that may not be</li> </ul>

	<p>fully quantifiable. These may include certifications that the OCHCA may hold that provide opportunities for additional funds or eligibility for certain grant awards</p> <p>Based on reviewing the County's workload data, HMA will propose a potential geographic catchment area for consideration under the proposed regional health models. This proposal will consider both the potential boundaries and the functions that may be possible under a regional health model.</p> <p>This work stream will also include a summative review of the County's COVID-19 response specifically focusing to what degree the County's approach addressed issues unique to Santa Ana and/or engaged representatives from the City of Santa Ana. This will be based on a review of published reports by OCHCA and interviews with key stakeholders.</p> <p><i>Deliverables:</i> Summary memo/presentation of current service level, cost and revenue; summative review of OCHCA COVID-19 response</p>
<b>4. Comparative Analysis and Forecasting</b>	<p>The final element of the analysis will be to capture data from comparative cities on their operation of a municipal public health development to provide the basis for the City of Santa Ana cost, staffing, and revenue projections. Three cities in Southern California provide examples: Pasadena and Long Beach, which operate mandated functions, and Vernon, which operates a limited scale public health department. Pasadena and Long Beach directly provide services and contract with the County, nonprofits, and other partners in fulfilling their public health responsibilities.</p> <p>Comparative data from all three cities will be captured to the degree available to understand:</p> <ul style="list-style-type: none"> <li>■ Cost and staffing levels and ratio</li> <li>■ Revenue streams</li> <li>■ Benefits and challenges of the municipal health department</li> </ul> <p>The comparative analysis will capture both quantitative and qualitative data. Quantitative data will be used to capture staffing and revenue estimates such as the number of inspections, permits, and related revenue. Qualitative data captured through interviews with key city staff in Long Beach and Pasadena will help identify and elevate key considerations for the City of Santa Ana.</p> <p>Using the data gathered from the County and comparable municipalities, HMA will create a forecasting model to project the staffing, costs, and revenue related for the three models: full service; limited service, and regional health model. This forecasting model will rely on assumptions based on the experience of other municipalities such as ratio of staffing to inspections, frequency of inspections, fees associated with inspections, staffing required for core functions, and potential grant funding. The model will provide the basis for the projections included in the draft and final model.</p>

	<p><b><i>Deliverables:</i></b> Summary memo/presentation of comparable municipal public health functions and related costs; forecasting model to staffing, costs, and revenue associated with the three proposed models</p>
<b>Proposed Draft and Final Deliverable</b>	<p>Throughout the process, HMA's project manager will regularly share the findings and analysis resulting from the four work streams with the City's project manager. Informed by the four work streams, HMA will produce a draft report documenting our analysis, findings, and the results of our review of the three alternatives identified in the RFP.</p> <p>HMA will present this final deliverable as a draft to engage City leadership in a facilitated discussion of the benefits and risks associated with the options considered. The goal is to support City leadership in identifying a path forward that best addresses the City's priorities within its fiscal constraints.</p> <p>The proposed <i>deliverables</i> will include:</p> <ul style="list-style-type: none"> <li>■ Provide recommended criterion and assessment of models against the criterion. Criteria will consider cost, infrastructure, revenue, and other factors determined by the: <ul style="list-style-type: none"> <li>○ Full Service Municipal Health Agency</li> <li>○ Limited Municipal Health Agency</li> <li>○ Regional Health Model</li> </ul> </li> <li>■ Draft and final synthesis of findings, including pros/cons of a Santa Ana Public Health Department and consideration of three alternative models (Tasks K and M), including projected staffing and revenue and costing for 10 years for proposed public health functions</li> <li>■ Develop a potential transition plan and high-level timeline for each alternative model consideration and related milestones for each option (Tasks N and O)</li> <li>■ Present to the City Council on findings, alternatives, and the timeline (Task P)</li> </ul>
<b>Implementation Support</b>	<p>Depending on recommendations and pursuant to action by the City, HMA will be available to support:</p> <ul style="list-style-type: none"> <li>■ Developing recommendations of public health policies and plans necessary to operate a public health agency (Task J)</li> <li>■ Assisting in developing public health programs for the City of Santa Ana (Task L)</li> <li>■ Providing additional support as requested to assist with implementing the recommended structure</li> </ul> <p>Given the unknowns of the selected model, we are unable to estimate the consulting hours needed at this time for developing public health policies, plans, and programs. HMA has a diverse set of qualified staff in multiple public health domains and those resources will be available to support this project. Staff could be available on a time-and-materials basis based on hourly fees.</p>



**EXHIBIT B**

BUDGET

## 5. Cost Proposal

HMA is proposing a total not-to-exceed cost of \$170,830. Project fees will not be incurred beyond this amount without your prior approval and a written amendment to this agreement signed by both parties. Included within this amount is the complete cost of doing business with HMA, including indirect costs such as overhead, general, and administrative costs. HMA does not anticipate any non-labor expenses such as travel, meals, or incidental costs. Our cost breakdown is included in Figure 10.

The services described in this proposal will be billed on a time-and-materials basis. Professional hourly rates will be billed as indicated in the table below. We will submit invoices monthly for services provided in the previous month, and the anticipated payment schedule will align with the anticipated project timeline presented in Figure 9. Invoices will be payable upon receipt.

**FIGURE 10: COST BREAKDOWN**

HMA Labor				
Employee	Labor Category	Hourly Rate	Hours	Total
Christina Altmayer, MPA	Principal	\$385	160	\$61,600
Jonathan Freedman, MSPH	Principal	\$385	6	\$2,310
Helen Duplessis, MD, MPH	Physician Principal	\$440	16	\$7,040
Michelle Parra, PhD	Principal	\$385	92	\$35,420
Michael Butler, MA	Senior Associate	\$330	116	\$38,280
TBD	Research Associate	\$170	154	\$26,180
		<b>Total</b>	<b>544</b>	<b>\$170,830</b>

**EXHIBIT C**

**TIMELINE**

#### iv. How HMA will Adhere to the City's Project Timeline

As indicated above, HMA adheres to specific project management protocols to meet timelines and provide regular status reports to the client. For each of the work streams, we have defined a deliverable that we will complete at each phase and present to the City's project team for review and feedback. This will allow the City to understand progress, provide real-time feedback throughout the process, and allow HMA to adapt our approach to best meet the City's needs and timeline. We view this project as a partnership, and providing regular and open communication will be integral to its success.

Figure 9 provides our preliminary proposed work plan and timeline. If selected, this will be reviewed with the City's project team at the kickoff meeting and adjusted, as necessary, to meet the City's timeline. In our timeline, we have taken into consideration the time required to receive documents from the City of Santa Ana, the County, and other municipalities as well as the amount of time to perform the analysis.

FIGURE 9: HMA'S PROPOSED WORKPLAN AND TIMELINE

Proposed Timeline/Activities	2021					2022		
	A	S	O	N	D	J	F	M
<b>Project Management</b>								
Coordinate all tasks and client management	■	■	■	■	■	■	■	■
<b>Regulatory and Statutory Requirements</b>								
Research and confirm state and federal mandated services	■							
Research and confirm additional public health services	■							
Identify requirements associated with additional funding sources	■							
Research requirements associated with Regional Health district	■							
Produce deliverable		■						
<b>Community Needs Assessment</b>								
Collect and review existing community needs assessment resources and synthesize critical issues	■	■						
Conduct summative review of COVID-19 response	■	■	■					
Produce deliverable	■	■						
<b>Current Service Level Cost and Revenue Analysis</b>								
Identify current OCHCA mandated and additional services provided to Santa Ana	■	■	■					
Determine service level, cost, staffing, and associated revenue	■	■	■					
Identify other supports provided to Santa Ana	■	■	■					
Produce deliverable			■	■				
<b>Comparative Analysis and Forecasting</b>								
Capture service, cost, and revenue data from Long Beach, Pasadena, and Vernon	■	■	■					
Develop a forecasting model based on inputs from OCHCA experience and municipal experience			■	■				
Develop criterion for review of all options			■	■				
Produce deliverable			■	■				
<b>Prepare and Present Final Consolidated Report</b>								
Prepare consolidated draft report						■	■	■
Prepare for/facilitate/conduct a session with City leadership						■	■	■
Prepare final report and presentation						■	■	■