

Client Agreement

THIS AGREEMENT entered into this 5th day of December 2023, by and between Michael Baker International, Inc. (hereinafter "**MICHAEL BAKER**") with offices at 801 S. Grand Avenue, Suite 250, Los Angeles, CA 90017, and the City of Redondo Beach (hereinafter, "**CLIENT**"), a chartered city and municipal corporation with offices at 415 Diamond Street, Redondo Beach, California 90278.

WHEREAS, the **CLIENT** is a chartered city and municipal corporation, and desires **MICHAEL BAKER** to perform certain technical services.

WHEREAS, **MICHAEL BAKER** is in the business of providing engineering and technical services and desires to perform such services for **CLIENT**.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree as follows:

1. **SCOPE OF WORK.** **MICHAEL BAKER** shall perform such engineering and technical services as are described in the attached Exhibit "A", including any additions or modifications mutually agreed upon and incorporated therein (hereinafter, "Work").
2. **STANDARD OF CARE.** The standard of care applicable to **MICHAEL BAKER's** services is the degree of skill and diligence normally employed by engineers or providers of technical services performing the same or similar services.
3. **COMPENSATION AND PAYMENT.** **CLIENT** shall compensate **MICHAEL BAKER** for the Work in such manner as described in the attached Exhibit B, including any additions or modifications mutually agreed upon in writing by authorized parties and incorporated therein (hereinafter, the "Payment Terms"). Partial payments for the Work shall be made monthly by the **CLIENT** to **MICHAEL BAKER** based on invoices submitted by **MICHAEL BAKER**.
4. **ESTIMATES.** Any estimates provided for cost of construction, financing, and acquisition of land and rights-of-ways shall be made in accordance with good engineering practice and procedure. It is understood, however, that **MICHAEL BAKER** has no control over construction costs, competitive bidding and market conditions, nor over costs of financing, acquisition of land or rights-of-ways, and **MICHAEL BAKER** does not guarantee the accuracy of such cost estimates as compared to actual cost or contractors' bids.

5. **CONSTRUCTION MEANS AND METHODS.** **MICHAEL BAKER** shall not be responsible for construction means, methods, techniques, sequences or procedures of construction contractors, or the safety precautions and programs incident thereto, and shall not be responsible for such contractors' failure to perform work in accordance with the contract documents.
6. **COMPLIANCE WITH LAWS.** **MICHAEL BAKER** shall comply with all applicable provisions of the unemployment compensation, sickness and disability, Social Security laws, the Fair Standards Act and all other Federal, State, and local laws or regulations relating to employment.
7. **ASSIGNMENT BY CLIENT.** All the terms, provisions, covenants and conditions of this Agreement (including any modifications thereto) shall be binding upon, inure to the benefit of, and be enforceable by **CLIENT**, its successors and assigns; provided however, that no portion of this Agreement (including any Task Order) and the rights and obligations thereunder shall be assignable or delegable by **CLIENT**, by operation of law or otherwise, without the express prior written consent of **MICHAEL BAKER** which consent shall not be unreasonably withheld.
8. **ASSIGNMENT BY MICHAEL BAKER.** All the terms, provisions, covenants and conditions of this Agreement (including any modifications thereto) shall be binding upon, inure to the benefit of, and be enforceable by **MICHAEL BAKER**, its successors and assigns; provided however, that no portion of this Agreement (including any Task Order) and the rights and obligations thereunder shall be assignable or delegable by **MICHAEL BAKER**, by operation of law or otherwise, without the express prior written consent of **CLIENT** which consent shall not be unreasonably withheld.
9. **INSPECTION OF THE WORK.** **MICHAEL BAKER** shall grant **CLIENT** access at any time to **MICHAEL BAKER's** facilities where the work under this Agreement is being performed. To facilitate such inspection, **CLIENT** will provide **MICHAEL BAKER** with at least 24 hours' prior notice.
10. **CHANGES.** The **CLIENT** may, at any time prior to the completion of the Work, direct, in writing, any changes to the Work, including but not limited to the revision of the Work's scope, time period, or schedule of performance. **MICHAEL BAKER** shall perform such changes to the Work as directed by the **CLIENT** in writing and shall be paid for such Work at rates established by the Agreement, or as may be otherwise agreed between the **CLIENT** and **MICHAEL BAKER**.
11. **TERM.** This Agreement shall commence on December 5, 2023 and expire December 4, 2025, unless otherwise terminated herein.

12. **SUSPENSION OR TERMINATION.** In the event that the Work is terminated or suspended by the **CLIENT** prior to its completion, **MICHAEL BAKER** shall be paid an amount proportional to the services rendered to the date of termination or suspension. To initiate this termination, the **CLIENT** must send a written notification to **MICHAEL BAKER** to the name and address provided in Section 24 of this Agreement. **DEFAULT.** Should either party breach any provisions of this Agreement the non-breaching party shall have the rights and remedies provided by law or under these terms and conditions.
13. **INDEMNIFICATION.** **MICHAEL BAKER** shall indemnify and hold harmless the **CLIENT** from these claims, losses, lawsuits or expenses caused directly by **MICHAEL BAKER's** negligent acts, errors or omissions or willful misconduct with performance of **MICHAEL BAKER's** services hereunder. To the fullest extent permitted by law, with respect to claims, damages, losses and expenses which are related to hazardous waste or asbestos removal, disposal or cleanup or environmental liability, the **CLIENT** shall indemnify, save harmless and defend **MICHAEL BAKER** from and against all such claims, damages, losses or expenses, including attorney's fees, arising out of or resulting from the performance of **MICHAEL BAKER's** services, or claims against **MICHAEL BAKER** arising from work of others. However, the **CLIENT** shall not be responsible for claims, damages, losses, or expenses related to hazardous waste or asbestos removal, disposal, cleanup, or environmental liability caused by the negligent acts, errors or omissions, or willful misconduct of **MICHAEL BAKER**.
14. **WAIVER OF CONSEQUENTIAL DAMAGES.** In no event shall either **MICHAEL BAKER** or the **CLIENT** have any claim or right against the other, whether in contract, warranty, tort (including negligence), strict liability or otherwise, for any special, indirect, incidental, or consequential damages or any kind or nature whatsoever, such as but not limited to loss of revenue, loss of profits on revenue, loss of customers or contracts, loss of use of equipment or loss of data, work interruption, increased cost of work or cost of any financing, howsoever caused, even if same were reasonably foreseeable.
15. **INSURANCE.** Unless otherwise required in this Agreement, the **CLIENT** and **MICHAEL BAKER** shall, during the performance of the services as provided herein, maintain insurance of the types and amounts specified, and with insurers satisfactory to the other party as follows:

Worker's Compensation	Statutorily required amounts
Employer's Liability	\$1,000,000 Bodily Injury by Accident (Each occurrence) \$1,000,000 Bodily Injury by Disease (Policy Limit) \$1,000,000 Bodily Injury by Disease (Each Person)
Comprehensive General Liability	\$2,000,000 Each Occurrence for bodily injury and property damage \$2,000,000 Products/ Completed Operations Aggregate \$2,000,000 General Aggregate over all interests
Comprehensive Automotive Liability	\$1,000,000 Bodily Injury \$1,000,000 Property Damage (including coverage for owned, non-owned and hired vehicles)
Professional Liability	\$1,000,000 (Each claim)

16. **INDEPENDENT CONTRACTOR.** **MICHAEL BAKER** acknowledges that it is furnishing the services contemplated by this Agreement hereto as an independent contractor, and not as an employee or agent of **CLIENT** or any of its affiliates.
17. **PUBLIC ANNOUNCEMENTS.** No publicity releases (including news releases and advertising) relating to this Agreement or the services performed hereunder, shall be issued by either party without the prior written approval of the other party.
18. **PARTIAL INVALIDITY.** If any term, covenant, condition or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired or invalidated thereby.
19. **HEADINGS.** Headings in this Agreement are for convenience only, and are not intended to be used in interpreting or construing the terms, covenants, and conditions of this Agreement.
20. **GOVERNING LAWS.** The validity or construction of this Agreement, as well as the rights and duties of the parties hereunder, shall be governed by the laws of the State of California without regard to its choice of law provisions.
21. **SUPPLEMENTS TO AGREEMENT.** The following Exhibits are incorporated into this Agreement.
- Exhibit "A" Scope of Work
Exhibit "B" Compensation and Payment

22. **ENTIRE AGREEMENT.** This Agreement and Exhibits constitute the whole agreement between the parties with respect to the subject matter contained herein, and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Michael Baker and Client may be used to assist in the interpretation of the exhibits to this Agreement. No modification or amendment of this Agreement and any exhibits shall be valid unless in writing and signed by the parties hereto.

23. **FORCE MAJEURE.** In no event shall either **MICHAEL BAKER** or the **CLIENT** have any claim or right against the other for any failure of performance where such failure of performance is caused by or is the result of causes beyond the reasonable control of the other party due to any occurrence commonly known as a "force majeure," including: acts of God; fire, flood, or other natural catastrophe; acts of any governmental body; national emergency; insurrection; riot; or war.

24. **NOTICE.** All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the third day after mailing if mailed to the party to whom notice is to be given, by first-class mail, registered or certified, postage prepaid, and properly addressed as follows:

To CLIENT:

City of Redondo Beach
1922 Artesia Blvd.
Redondo Beach, CA 90278
Attention: Angelica Zavala

25. **To MICHAEL BAKER:**

Michael Baker International, Inc.
801 S. Grand Avenue, Suite 250
Los Angeles, CA 90017
Attention: Kathalyn Tung

Either party may change its address for purposes of this notice provision by giving the other party written notice of the new address in the manner set forth above. Any notice delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated as of the third day following mailing.

26. **REUSE OF WORK PRODUCT.** Any reuse of **MICHAEL BAKER**'s work product without written verification or adaptation by **MICHAEL BAKER** will be at the **CLIENT**'s own risk and without liability or legal exposure to **MICHAEL BAKER**.

27. **OBLIGATION OF GOOD FAITH, FAIR DEALINGS AND MITIGATION OF DAMAGES.** This Agreement imposes an obligation of good faith, fair dealings and the mitigation of damages among the parties in all matters relating to this Agreement. Good faith, for this purpose, includes honesty in fact and the observance of reasonable commercial standards of fair dealings and in the mitigation of damages even in situations where a decision is left to the sole discretion of a single party.
28. **INVENTIONS AND PATENTS.** Inventions conceived solely by employees of **CLIENT** shall belong exclusively to **CLIENT**. Inventions conceived solely by employees of **MICHAEL BAKER** shall belong exclusively to **MICHAEL BAKER**. Inventions conceived jointly by the parties hereto in the course of work called for by this Agreement shall be subject to further agreement of the parties so as to properly recognize each party's respective rights in such joint inventions.
29. **DEBARMENT CERTIFICATION.** By entering into this Agreement, the parties certify that to the best of their knowledge, they are not presently suspended, debarred or otherwise sanctioned by a state or the federal government, or conduct restricted business with sanctioned countries or sanctioned entities, which are listed by the United States Department of the Treasury, Office of Foreign Asset Control or the United States Department of Commerce, Bureau of Industry and Security.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have caused this Agreement to be executed and delivered as of the day and year first above written.

WITNESS:

MICHAEL BAKER INTERNATIONAL, INC.

Name: William Hoose
Title: Vice President

ATTEST:

CITY OF REDONDO BEACH

Eleanor Manzano
City Clerk

Name: William C. Brand
Title: Mayor

APPROVED AS TO FORM:

Michael W. Webb
City Attorney

EXHIBIT A
SCOPE OF WORK

See attached proposal.



We Make a Difference

October 19, 2023

Bill Brand
CITY OF REDONDO BEACH
415 Diamond Street
Redondo Beach, California 90277

RE: THE MOONSTONE PERMANENT SUPPORTIVE HOUSING HUD NEPA DOCUMENTATION

Dear Mr. Brand:

Michael Baker International, Inc. (Michael Baker) is pleased to submit this letter proposal to prepare an Environmental Review for the City of Redondo Beach (City) in accordance with the U.S. Department of Housing and Urban Development's (HUD) regulations for the implementation of the National Environmental Policy Act (NEPA) at Title 24, Part 58 of the Code of Federal Regulations (24 CFR 58) for the proposed Moonstone Permanent Supportive Housing project. Specifically, the City proposes to utilize HUD funding to provide project-based vouchers (PBVs) to support rental assistance at the Pacific Inn Motel, located at 716 S. Pacific Coast Highway, Redondo Beach, California (Assessor Parcel Number 7508-025-008) (proposed project). The 0.34-acre project site is currently undergoing rehabilitation activities which are independently funded (i.e., not federally funded) and include upgrading the existing 20 motel units to include new kitchenettes; the reconfiguration of the manager's unit to add two offices for the property manager and case manager; accessibility improvements; exterior painting; the installation of an access control gate; and streetscape and landscaping improvements. No HUD funds are associated with physical construction of the project and permanent supporting housing could occur at the project site without the use of federally funded PBVs. Michael Baker assumes the sponsor of the construction (applicant) will provide a signed non-dependency memo with contact information to include in the Environmental Review Record. For the purposes of this project, the NEPA documentation for the PBVs will not commence until the physical construction of Moonstone is complete and a Certificate of Occupancy is issued. The project site will be existing housing when the application for PBVs funding assistance is requested. PBVs are considered leasing and PBVs with no physical activity can be cleared with the Categorical Exclusion subject to 58.35(a)(5): *Acquisition (including leasing) or disposition of, or equity loans on an existing structure, or acquisition (including leasing) of vacant land provided that the structure or land acquired, financed, or disposed of will be retained for the same use.*

As such, Michael Baker will prepare an environmental document for a project that is Categorically Excluded Subject To (CEST) the laws and authorities listed at 24 CFR 58.5.

The following sections of this letter proposal identify our proposed project team, scope of work, schedule, and fee to complete the project's CEST.

PROJECT TEAM

John Bellas will serve as the project director for the proposed project's NEPA documentation. With over 20 years of environmental planning experience, he has managed the preparation of numerous NEPA and CEQA documents for a wide range of projects, including land development projects, long-range plans and programs, and capital improvement projects. Notably, John has prepared numerous HUD NEPA and CEQA documents for jurisdictions throughout California, including EA/FONSIs and Statutory Worksheets for the cities of Pasadena, Santa Clarita, Lawndale, and Rosemead. As project director, John will oversee the following staff working to complete the proposed project.

Kathalyn Tung, Senior Environmental Planner, will be the day-to-day project manager for the proposed project. She has 16 years of experience assisting in and managing the preparation of environmental documentation in accordance with NEPA for a variety of federal actions, including housing projects and coastal and water infrastructure construction. Kathalyn has also assisted in and managed the preparation of NEPA and CEQA documents for housing construction and infrastructure improvement projects in California.

A. SCOPE OF WORK

As discussed above, the project appears consistent with the activity listed under 24 CFR 58.35(a)(5), acquisition (including leasing) of an existing structure. Michael Baker shall perform the following duties.

1. CEST Checklist:
 - a. Michael Baker shall prepare the CEST checklist in accordance with HUD's recommended format as detailed in 24 CFR Part 58.
 - b. The checklist shall include all required determinations and compliance documentation for the laws and authorities at 24 CFR parts 50.4, 58.6, and 58.5.
 - c. The CEST checklist shall encompass a series of primary compliance factors, including but not limited to: Airport Hazards, Coastal Barrier Resources, Flood Insurance, Clean Air, Coastal Zone Management, Contamination and Toxic Substances, Endangered Species, Explosive and Flammable Hazards, Farmlands Protection, Floodplain Management, Historic Preservation, Noise Abatement and Control, Sole Source Aquifers, Wetlands Protection, Wild and Scenic Rivers, and Environmental Justice.
 - d. The CEST checklist shall also include several HUD-required summary sections, including mitigation measures, funding breakdown, and summary of findings and conclusions.
 - e. Michael Baker shall monitor and verify that the CEST has no impacts requiring mitigation, ensuring the project remains exempt and thereby eliminating the need for additional compliance or consultations with regulatory authorities. As a result, Michael Baker shall eliminate the necessity for a Notice of Intent/Request for the Release of Funds (NOI/RROF) and any public review of the NEPA document. However, if Michael Baker identifies through specific project information or background research any sensitive resources or environmental concerns that might require a more detailed environmental analysis than included herein (i.e., additional reports/assessments, technical studies or regulatory agency permits), Michael Baker will notify the City immediately and supplemental services/work effort may be required.

2. CEST and Environmental Review Record Review:
 - a. Michael Baker shall prepare an administrative draft CEST checklist for the Client’s review.
 - b. Based on the City’s feedback on the draft, Michael Baker shall submit revisions and a proofcheck draft for the City’s final review.
 - c. Following the final review by the City, Michael Baker shall provide the final version and related attachments, which will be delivered to the City electronically.
 - d. Michael Baker shall compile an Environmental Review Record (ERR) per 24 CFR 58.38 in digital format and include copies of all source/compliance documentation. Upon City’s request, Michael Baker shall upload these documents to HUD’s Environmental Review Online System (HEROS).

3. Deliverables: Michael Baker shall deliver the following documents.
 - a. Administrative draft CEST (electronic).
 - b. Proofcheck draft CEST (electronic).
 - c. Final CEST (electronic).
 - d. ERR (electronic).

B. **SCHEDULE:** The schedule for the scope of work described herein is provided below:

Tasks/Milestones	Duration	Timeline
Kickoff meeting or email communication describing the project	1 day	Week 1
Prepare administrative draft CEST	3 weeks	Weeks 1-3
City review of administrative draft CEST	1 week	Week 4
Michael Baker finalizes CEST	<1 week	Week 5
Provide a copy of the ERR to the City	<1 week	Week 5

- C. **FEE:** Michael Baker shall be paid in the amount of \$5,550 for the services described herein as described in Exhibit B.
- D. **ASSUMPTIONS:** Michael Baker makes the following assumptions with respect to the work described herein.
 1. There are no mitigation or other compliance steps (i.e., additional reports, studies, consultations, permits, or agreements) that would be required other than those identified herein.
 2. There would be no potential to affect historic properties as defined in 36 CFR 800.3. The project would have no further obligations under Section 106 of the National Historic Preservation Act.
 3. In the event there are any unforeseen environmental concerns or sensitive resources that require a more in-depth environmental analysis, Michael Baker shall immediately notify the City.

4. There are no assumptions regarding the appropriate NEPA documentation for the project. In the event the environmental analysis reveals that an environmental assessment is the appropriate NEPA document for the project, Michael Baker shall prepare the document under a scope and cost amendment as negotiated and executed by a mutual agreement of the City and Michael Baker.
5. The City, in its discretion, would provide any required project plans or technical studies relevant to completing the NEPA documentation for the project. If additional technical studies other than those detailed herein are necessary, Michael Baker would be available to conduct the studies per any mutual agreement of the City and Michael Baker.
6. The proposed scope includes one administrative draft version review and one proof-check draft review by the City. If the City requests multiple substantive reviews exceeding this scope, additional Michael Baker staff time may be required beyond the established budget. In such cases, both parties would seek a mutually agreeable budget augmentation.
7. There will be no substantial changes in the project description. However, if modifications occur, it could result in discussions around budget adjustments. Should the project description change during the course of the work, additional Michael Baker staff time may be required beyond the established budget to revise/update the document and the analysis. In such cases, both parties would seek a mutually agreeable budget augmentation.

CLOSURE

Michael Baker appreciates the opportunity to submit this proposal. Our proposed scope of work and corresponding fee have been developed to meet the City's needs and to satisfy NEPA requirements for the proposed project. However, should the services proposed herein exceed or fall short of your expectations, Michael Baker would appreciate the opportunity to meet with you to review your concerns, make the appropriate modifications to the scope of work, and revise the proposed fee accordingly.

Michael Baker stands ready to proceed with the proposed scope of work upon the City's authorization. If you have any questions regarding this proposal, please do not hesitate to contact John Bellas, Project Director, at (562) 200- 7170 or jbellas@mbakerintl.com or Kathy Tung, Project Manager, at (213) 372-1014 or kathalyn.tung@mbakerintl.com.

Sincerely,



John M. Bellas Project
Director



Kathalyn Tung
Project Manager

EXHIBIT B

COMPENSATION AND PAYMENT

Total compensation for the scope of work shall be \$5,550.

Upon completion of the work described herein, **MICHAEL BAKER** shall submit an invoice for the full amount to **CLIENT** for approval and payment for those services performed. Invoices must include dates of service, description of work performed, and total amount. **CLIENT** agrees to make payment on the invoice, within forty five (45) days of its receipt.