# AGREEMENT FOR LEGAL SERVICES WITH BEST BEST & KRIEGER LLP

THIS AGREEMENT is made this 15th day of April, 2025, by the CITY OF REDONDO BEACH, a chartered municipal corporation, ("CITY"), and BEST BEST & KRIEGER LLP, a Limited Liability Partnership ("ATTORNEY").

## **RECITALS**

The following recitals are a substantive part of this Agreement:

- A. This Agreement is entered into pursuant to Redondo Beach City Council authorization on April 15, 2025.
- B. The CITY is a chartered municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California and the Charter of the CITY.
- C. ATTORNEY is qualified to do business, and is doing business, in the State of California. ATTORNEY represents it has the background, knowledge, experience and expertise necessary to provide the services set forth in this Agreement.
- D. The CITY and ATTORNEY desire to enter into an Agreement for services upon the terms and conditions herein.

#### **AGREEMENT**

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1. <u>Term of Agreement</u>. This Agreement shall cover services rendered from April 15, 2025 and until terminated.
- 2. <u>Attorney's Services</u>. The services to be performed by ATTORNEY shall consist of the following: Legal services as disclosure counsel for the CITY on the issuance of \$93,350,000 in General Obligation (GO) bonds authorized by Measure FP during the November 5, 2024 General Election, which includes but is not limited to the following legal services: (1) assist with the preparation of the Preliminary Official Statement and the Official Statement, (2) preparation of the Continuing Disclosure Agreement, (3) render negative assurance opinion letter, and (4) provide other legal guidance with respect to securities laws. ATTORNEY will complete the services in accordance with Section 4 of this Agreement.
- 3. City's Services. CITY agrees to:
  - 3.1. Make available to ATTORNEY any currently existing documents, data or information required for the performance of the services.
  - 3.2. Designate a representative authorized to act on behalf of CITY.

- 3.3. Promptly examine and render findings on all documents submitted for staff review by the ATTORNEY.
- 4. **Compensation**. ATTORNEY shall be compensated as follows:

#### 4.1. Amount.

ATTORNEY shall receive compensation at a flat rate of \$65,000 for legal services rendered on the closing date of the bonds from bond proceeds. The compensation is contingent on the closing of the bonds and applies to all time spent on matters related to the representation as described in Section 2, including but not to, the ordinary and customary services rendered as disclosure counsel in connection with transactions of the type described herein.

- 4.1.1. Any travel related to the case, excluding commuting to and from the primary office location shall be included in the flat rate above.
- 4.1.2. Reasonable travel expenses, including airfare and lodging will included in the flat rate above. For air travel, economy class tickets are expected unless otherwise justified. In no event shall meals or mileage be reimbursed. Prior to incurring any travel expense, ATTORNEY must obtain CITY's prior written approval of the charge to ensure its reasonableness. Costs, such as court fees, litigation costs, messenger and delivery services, copy expense and other similar costs will be included in the flat rate above.
- 4.1.3. Compensation for non attorneys assisting ATTORNEY shall be included in the flat rate above.
- 4.1.4. Compensation under this Agreement is contingent upon the assignment of work by CITY, acceptance of the work by ATTORNEY, and subsequent approval of the submitted hourly billing statement (if applicable) by the City Attorney. No payment shall be made for work performed without prior authorization.

## 4.2. Payment.

- 4.2.1. Payments under this Agreement shall be made based on a final invoice submitted by ATTORNEY at the closing of the bonds. The invoice must itemize the services rendered in detail, including the date, nature of the work, and time spent.
- 4.2.2. CITY agrees to pay the undisputed amount of each invoice within sixty (60) days of its receipt.
- 4.2.3. Invoices submitted to CITY for payment must be comprehensive and include the following details:
  - Hourly rate charged, if applicable.
  - Number of hours worked, specifying the dates and duration of services rendered.

- Detailed description of the services performed, including the matter name or case reference.
- Itemization of all expenses incurred, with a clear description of each expense, the cost associated with it, and a subtotal of expenses.
- The total amount due, clearly stated.
- 4.2.4. All invoices must be accompanied by supporting documentation for each expense claimed. This includes, but is not limited to, receipts, billing statements, and any other relevant documents that substantiate the expenses.
- 4.2.5. Invoices must be itemized and detailed to provide a clear and transparent account of the services rendered and expenses incurred.
- 4.2.6. CITY reserves the right to request additional backup material or documentation for any charges or expenses billed by ATTORNEY. ATTORNEY is obliged to provide such material upon CITY's request.
- 4.2.7. ATTORNEY acknowledges that failure to attach all necessary supporting documentation may result in delayed payment or denial of the respective invoice until such documentation is provided and verified.

## 4.3. Records of Expenses.

- 4.3.1. ATTORNEY shall maintain accurate and detailed records of time spent and expenses incurred in connection with services under this Agreement for a period of four (4) years following the completion of the services.
- 4.3.2. Upon CITY's request, ATTORNEY shall provide copies of these records. CITY shall have the right to audit these records to verify the accuracy of billing and expenses.
- 4.4. <u>Hours</u>. No specific number of hours of work is guaranteed. It is expected that Attorney's services will be on an as needed basis depending upon the work load.

## 5. **Default and Termination**.

- 5.1. <u>Default</u>. If ATTORNEY fails or refuses to perform any of the provisions of this Agreement, and if the default is not cured within a period of five days after the CITY's written notice of default specifying the nature of the default, CITY may immediately terminate this Agreement by written notice to the ATTORNEY.
- 5.2. Convenience. The CITY has the option, at its sole discretion and without cause, of terminating this Agreement by giving fifteen (15) days written notice to the ATTORNEY. Upon termination of this Agreement, CITY will pay the ATTORNEY any compensation earned and unpaid up to the effective date of termination.
- 5.3. <u>Post Termination</u>. Upon termination of this Agreement:
  - 5.3.1. ATTORNEY shall cease all services immediately, except as

- directed in writing by CITY to conclude pending matters.
- 5.3.2. ATTORNEY shall submit a final statement of services rendered and expenses incurred up to the termination date.
- 5.3.3. ATTORNEY shall promptly return all CITY documents, materials, and any other CITY property in their possession. ATTORNEY shall also ensure the secure return or destruction of confidential information, as directed by CITY.
- 5.3.4. ATTORNEY's duty to maintain the confidentiality of information, as stipulated in the Confidentiality Clause of this Agreement, shall persist beyond the termination of this Agreement.
- 5.3.5. ATTORNEY shall provide a concluding report to CITY, summarizing services rendered and highlighting any pending issues or areas requiring further attention.
- 5.3.6. Any disputes arising from or related to the services rendered under this Agreement shall be addressed through negotiation in good faith between the parties.
- 5.3.7. Obligations accrued prior to the termination of this Agreement shall survive its termination. This includes, but is not limited to, obligations pertaining to indemnification, confidentiality, and compliance with applicable laws.
- 5.3.8. ATTORNEY shall provide a list of any unresolved matters to CITY, and the parties shall mutually agree upon a method for resolution.

## 6. Records and Work Product.

- 6.1. Records Maintenance. ATTORNEY must maintain complete and accurate records with respect to costs, expenses, receipts, and other such information required by CITY for services where compensation is based on hourly rates, subcontractor costs, or other direct costs. Records must be kept separate from other documents and maintained for four (4) years after final payment or as required by law.
- 6.2. <u>Accessibility and Audit Rights</u>. These records should be accessible to CITY upon request. CITY reserves the right to audit these records to verify billing and expenses. ATTORNEY agrees to provide any necessary supporting documentation.
- 6.3. Work Product Ownership. All documents or other information developed or received by ATTORNEY in the course and scope of work for the City shall be the property of CITY. ATTORNEY shall provide CITY with copies of these items upon demand or upon termination of this Agreement. No work product may be released by ATTORNEY without prior written approval by CITY.
- 6.4. <u>Access for Inspection</u>. CITY shall have free access to ATTORNEY's books, records, and all work, data, documents, proceedings, and activities related to this Agreement.

- 7. No officials and Employees of the CITY shall be personally liable for any default or liability under this Agreement.
- 8. Confidentiality. ATTORNEY agrees to maintain the confidentiality of all confidential information obtained in the course of providing the services under this Agreement. This includes, but is not limited to, CITY's proprietary information, trade secrets, and any other information designated as confidential by CITY. ATTORNEY shall not disclose, disseminate, or use such confidential information, except as required for the performance of services under this Agreement or as required by law. This obligation of confidentiality shall survive the termination or expiration of this Agreement and continue for a period of five (5) years thereafter. Any breach of this confidentiality clause may result in immediate termination of this Agreement and potential legal action for damages.
- 9. **Non-Discrimination**. ATTORNEY covenants there shall be no discrimination based upon race, color, creed, religion, sex, sexual orientation, marital status, age, national origin, ancestry, AIDS, disability, or any other legally protected characteristic in any activity pursuant to this Agreement.
- 10. <u>Independent Parties</u>. Both parties to this Agreement will be acting in an independent capacity and not as agents, employees, partners, or joint venturers of one another. Neither the CITY nor its officers or employees will have any control over the conduct of the ATTORNEY or any of the ATTORNEY's agents, employees, or subcontractors, except as otherwise provided in this Agreement.
- 11. **Defense and Indemnification**. ATTORNEY shall indemnify, defend, and hold harmless CITY, including but not limited to, its officials, officers, employees, agents, contractors, and volunteers against any or all loss, damages, liability, claims, suits, costs, expenses, and judgments, whatsoever, including reasonable attorney's fees, to the extent caused by the negligent or willful acts, errors or omissions of ATTORNEY or ATTORNEY's officers, agents, employees, or subcontractors, in the performance of services, activities or work conducted pursuant to this Agreement, excepting claims of professional negligence or malpractice.
- 12. <u>Insurance Requirements</u>. Prior to commencing work, the ATTORNEY must procure, maintain and pay for insurance against claims for injuries to persons or damage to property that may arise from or in connection with the performance of the services by ATTORNEY or ATTORNEY's agents, representatives, employees or subcontractors for the duration of this Agreement. ATTORNEY must obtain insurance that, at a minimum, meets the requirements for insurance set forth in Exhibit A, Insurance Requirements.
- 13. <u>Compliance with Law</u>. ATTORNEY shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government.
- 14. **Nuisance**. ATTORNEY may not maintain, commit, or permit the maintenance or commission of any nuisance in connection with the performance of services under this Agreement.
- 15. <u>Conflict of Interest and Reporting</u>. ATTORNEY shall at all times avoid conflict of interest or appearance of conflict of interest in performance of this Agreement unless such conflict is waived by CITY. ATTORNEY agrees to complete and file a California State Form 730 disclosure statement if required by the City Attorney.

16. **Notices**. All notices, demands, requests or approvals to be given under this Agreement, must be in writing and will be deemed served when delivered personally, by email, or on the third business day after deposit in the United States mail, postage prepaid, registered or certified, addressed as follows:

## 16.1. To CITY:

City of Redondo Beach
City Attorney's Office
415 Diamond Street
Redondo Beach, California 90277
Attorniania City Attorney

Attention: City Attorney

#### 16.2. To ATTORNEY:

Best Best & Krieger, LLP 300 South Grand Ave., 25th Floor Los Angeles, CA 90071 Attention: Danny Kim

- 17. <u>Licenses, Permits, and Fees</u>. ATTORNEY, at its sole expense, shall obtain and maintain a current **California State Bar License**, and all permits, fees, or licenses as may be required by this Agreement during the term of this Agreement.
- 18. <u>Familiarity with Work</u>. By executing this Agreement, ATTORNEY warrants that: (1) he has investigated the work to be performed, (2) he has investigated the site of the work and is aware of all conditions there; and (3) he understands the difficulties, and restrictions of the work under this Agreement. Should ATTORNEY discover any conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY and shall not proceed, except at ATTORNEY'S risk, until instructions are received from CITY.
- 19. <u>Standard of Care</u>. ATTORNEY agrees to provide all services, including services performed by any subcontractor, in a manner consistent with the level of care and skill ordinarily exercised by members of the ATTORNEY's profession currently practicing in the same locality under similar conditions.
- 20. **Time of Essence**. Time is of the essence in the performance of this Agreement.

# 21. Limitations Upon Subcontracting and Assignment.

- 21.1. ATTORNEY may not assign, hypothecate, or transfer this Agreement or any interest therein directly or indirectly, by operation of law or otherwise without the prior written consent of CITY. Any attempt to do so without the CITY's consent will be null and void, and any assignee, hypothecatee or transferee acquires no right or interest by reason of such attempted assignment, hypothecation or transfer.
- 21.2. The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of ATTORNEY or of any general partner or joint venture or syndicate member of ATTORNEY, if a partnership or joint venture or syndicate exists, which results in changing the control of the ATTORNEY, will be construed as an assignment of this Agreement. Control means 50% or more of the voting power of the

corporation.

## 22. Subcontractors.

- 22.1. If ATTORNEY proposes to have any subcontractor perform any part of the services, ATTORNEY must submit a request for approval in writing, describing the scope of work to be subcontracted, the name of the proposed subcontractor, and the total price or hourly rates used in preparing an estimated cost for the subcontractor's services. CITY, in its sole discretion, may grant or deny the request.
- 22.2. The ATTORNEY will be responsible for the quality of any subcontractor's work.
- 23. <a href="Integration">Integration</a>. This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties. Any preliminary negotiations and agreements of any kind or nature are merged into this Agreement. No oral agreement or implied covenant may be held to vary the provisions of this Agreement. This Agreement may be modified only by written agreement signed by CITY and ATTORNEY, and approved as to form by the City Attorney.
- 24. <u>Authority to Execute</u>. The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement.
- 25. <u>Modification</u>. This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written. This Agreement may be modified on provisions waived only by subsequent mutual written agreement executed by CITY and ATTORNEY.
- 26. <u>California Law</u>. This Agreement shall be construed in accordance with the laws of the State of California. Any action commenced about this Agreement shall be filed in the central branch of the Los Angeles County Superior Court.
- 27. **Interpretation**. This Agreement shall be interpreted as though prepared by both parties.
- 28. <u>Waiver</u>. A waiver of any breach of this Agreement may not be deemed a waiver of any subsequent breach of the same or any other term, covenant, or condition of this Agreement.
- 29. **Governing Law**. The laws of the State of California, without regard to any choice of law provisions, will govern this Agreement.
- 30. <u>Venue and Jurisdiction</u>. CITY and ATTORNEY agree that the Services will take place in Los Angeles County. Any litigation arising out of this Agreement may only be brought in the Superior Court of the County of Los Angeles, Southwest Judicial District. The parties agree that venue exists in either court, and each party expressly waives any right to transfer to another venue. The parties further agree that either court will have personal jurisdiction over the parties to this Agreement.
- 31. <u>Survival of Provisions and Obligations</u>. Any provision of this Agreement, which by its nature must be exercised after termination of this Agreement, will survive termination and remain effective for a reasonable time. Any obligation that accrued prior to termination of this Agreement will survive termination of this Agreement.

32. **Exhibits**. The following exhibit is incorporated by reference into this Agreement as though fully set forth herein.

Exhibit A: Insurance Requirements

33. **Severability**. Should any provision of this Agreement be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall remain enforceable.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS THEREOF, these parties have executed this Agreement on the day and year shown below.

CITY OF REDONDO BEACH, a chartered municipal corporation	BEST BEST & KRIEGER, LLP, a Limited Liability Partnership
James A. Light Mayor	By: Name: Title:
Date:	Date:
ATTEST:	
Eleanor Manzano, City Clerk	
APPROVED:	
Diane Strickfaden, Risk Manager	
APPROVED AS TO FORM:	
Joy A. Ford, City Attorney	

#### **EXHIBIT A**

#### **INSURANCE REQUIREMENTS FOR ATTORNEYS**

Without limiting ATTORNEY's indemnification obligations under this Agreement, ATTORNEY 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 ATTORNEY, its agents, representatives, or employees.

## Minimum Scope of Insurance

Coverage shall be at least as broad as:

- Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
- 2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
- 3. Workers' Compensation insurance as required by the State of California.
- 4. Employer's Liability Insurance.
- 5. Professional Liability Insurance shall be required if the ATTORNEY is providing a professional service regulated by the State (e.g., insurance agents, doctors, lawyers, architects, engineers, certified public accountants, etc.). However, some professions, such as software designers, claims administrators, or human resources professionals, should also carry Professional Liability insurance.

## Minimum Limits of Insurance

ATTORNEY shall maintain limits no less than:

- 1. General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.
- 2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
- 3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
- 4. Professional Liability: Insurance appropriate to the ATTORNEY's profession with a limit of not less than \$2,000,000 each claim and \$4,000,000 in the annual aggregate.
- 5. If the ATTORNEY maintains higher limits than the minimums shown above, the City of Redondo Beach requires and shall be entitled to coverage for the higher limits maintained by the ATTORNEY. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Redondo Beach.

## Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the Citythe ATTORNEY shall provide a financial guarantee in form of a letter from ATTORNEY's CFO that is satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

## Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

## Additional Insured Endorsement

- General Liability: The City, its officers, elected and appointed officials, employees, and
  volunteers shall be covered as insureds with respect to liability arising out of work
  performed by or on behalf of the ATTORNEY. General liability coverage can be provided in
  the form of an endorsement to the ATTORNEY's insurance, or as a separate owner's
  policy.
- 2. Automobile Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the ATTORNEY.
- 3. For any claims related to this project, the ATTORNEY's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the ATTORNEY's insurance and shall not contribute with it.
- 4. Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.
- 5. Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the ATTORNEY's part.

## Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

## Claims Made Policies

If the Professional Liability policy provides "claims made" coverage:

- 1. The Retroactive Date must be shown, and must be before the date of this Agreement or the start of work.
- 2. The insurance must be maintained and evidence of insurance must be provided for at least 5 years after completion of work.
- 3. If the policy is cancelled or not renewed, and not replaced with another "claims made" policy form with a Retroactive Date prior to the effective Agreement date, the ATTORNEY must purchase "extended reporting" coverage for a minimum of 5 years after completion of work.

# Verification of Coverage

ATTORNEY shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require -declaration pages of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

## Subcontractors

ATTORNEY shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

# Risk Management

ATTORNEY acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager or Human Resources Director.