

**FIRST AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND BANK OF AMERICA, N.A.**

THIS FIRST AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES ("First Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and Bank of America, N.A., a National Banking Association ("Bank").

WHEREAS, on May 23, 2017, the parties entered into the Agreement for Professional Service between the City and Bank (the "Agreement"); and

WHEREAS, the parties desire to amend the Agreement.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and intending to be legally bound, the parties hereby agree to make the following amendments to the Agreement:

1. **SCOPE OF SERVICES.** Exhibit "A" of the Agreement is hereby amended to add Exhibit "A-1" to add Interest Bearing accounts. Exhibit "A-1" is attached hereto and incorporated by reference.
2. **SCHEDULE FOR COMPLETION.** Exhibit "B" of the Agreement is hereby amended to add Exhibit "B-1", which extends the Agreement to May 31, 2022, and provides two automatic one-year renewals until May 31, 2024. Exhibit "B-1" is attached hereto and incorporated by reference. Bank shall commence and complete all services described in Exhibit "A-1" in accordance with the schedule set forth in Exhibit "B-1".
3. **COMPENSATION.** Exhibit "C" of the Agreement is hereby amended to add Exhibit "C-1" to provide the addresses for notice. Exhibit "C-1" is attached hereto and incorporated by reference. Contractor shall be compensated for the services described in Exhibit "A-1".
4. **NO OTHER AMENDMENTS.** Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement and this First Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement and this First Amendment, the terms of this First Amendment shall prevail.

SIGNATURES ON NEXT PAGE



IN WITNESS WHEREOF, the parties have executed this First Amendment in Redondo Beach, California, as of this 21st day of May, 2019.

CITY OF REDONDO BEACH,
a chartered municipal corporation

BANK OF AMERICA. N.A.,
a National Banking Association



William C. Brand, Mayor

By: 
Name: Lori Becker
Title: SVP, Public Sector Banking

ATTEST:

APPROVED:



Eleanor Manzano, City Clerk



Jill Buchholz, Risk Manager

APPROVED AS TO FORM:



Michael W. Webb, City Attorney



EXHIBIT "A-1"

SCOPE OF SERVICES

BANK'S DUTIES

Bank shall perform the following duties.

1. Provide general banking services, including but not limited to, the following.
 - a. Bank of America Merrill Lynch treasury services
 - b. Operational transactions processing
 - c. Account analysis
 - d. Payroll processing
 - e. Investment clearing and settlement
 - f. Preparation of transaction statements.
2. Continue current system applications and mapping to interface with Bank.
3. Provide check encashment for City employees who do not bank at the Bank, subject to such employees' presenting a City Identification card. The Bank at its sole discretion, may contact the City's Human Resources Department to confirm employment status with the City.
4. Provide free checking for City employees requiring banking services under the Bank's existing Group Banking/Bank at Work program as outlined in the Bank's Bid Response.
5. Review Earnings Credit Rate ("ECR") on an annual basis to ensure the rate is competitive with current market conditions. The ECR is currently 1.80%. This is a bank-managed rate and subject to review and change annually.
6. Provide Interest-Bearing accounts. Review the Interest-Bearing account rate ("PFIC") on an annual basis to ensure the rate is competitive with current market conditions. The PFIC is currently 1.80%. This is a bank-managed rate and subject to review and change annually.
7. Provide information technology and management support for conversion efforts at no cost.



EXHIBIT "B-1"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall be extended to May 31, 2022, unless otherwise terminated as provided in this Agreement. Thereafter, this Agreement shall renew for two automatic one-year periods subject to the termination provisions described herein. However, in no event shall this Agreement continue beyond May 31, 2024.



EXHIBIT "C-1"

COMPENSATION

Provided Bank is not in default under this Agreement, Bank shall be compensated as provided below.

1. **FIXED FEE.** Bank shall be paid in accordance with the terms of the attached updated fee schedule, which shall be based on the volume of services provided by Bank, including deposits, check disbursements, disbursement and reconciliation services, automated clearing house transactions, wire and fund transfers, and information reporting. Notwithstanding the foregoing, Bank acknowledges that City has paid for services rendered from May 21, 2016 to May 31, 2017.
2. **METHOD OF PAYMENT.** Bank shall provide a detailed monthly account analysis which shall summarize the monthly fees. The fees shall be offset by the earnings from the City's accounts in which the amount of the offset shall be based on the ECR for the applicable month. The ECR is based on market rates and may vary annually. Bank shall also provide invoices, which shall include the amount after the offset to the City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Bank may be required to provide back-up material upon request.
3. **SCHEDULE FOR PAYMENT.** City agrees to pay Bank within thirty (30) days of receipt of the monthly invoice; provided however, that services are performed to the City's reasonable satisfaction.
4. **NOTICE.** Written notices to City and Bank shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Bank: Bank of America, N.A.
330 S. Hope Street
Los Angeles, CA 90071
Attention: Lori Becker

City: City of Redondo Beach
City Treasurer's Department
415 Diamond Street
Redondo Beach, CA 90277
Attention: Steven Diels, City Treasurer

All notices, including notices of address changes, provided under this Agreement



are deemed received on the third day after mailing if sent by registered or certified mail. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

