

**SECOND AMENDMENT TO THE
AGREEMENT FOR CONSULTING SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND MUNISERVICES, LLC**

THIS SECOND AMENDMENT TO THE AGREEMENT FOR CONSULTING SERVICES ("Second Amendment") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and MuniServices, LLC, a Delaware limited liability company ("Consultant").

WHEREAS, on September 1, 2015, the parties entered into the Agreement for Consulting Services between the City and Consultant (the "Agreement"); and

WHEREAS, on August 18, 2020, the parties entered into the First Amendment to the Agreement (the "First Amendment"); and

WHEREAS, the parties wish 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. Term. Exhibits "B" to "B-1" of the Agreement are hereby amended to add Exhibit "B-2", which extends the Agreement to August 31, 2024. Exhibit "B-2" is attached hereto and incorporated by reference. Consultant shall commence and complete all services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B-2".
2. Compensation. Exhibits "C" and "C-1" of the Agreement are hereby amended to add Exhibit "C-2", which reduces (a) Consultant's annual fee to a fixed amount of \$20,000, and (b) the percentage contingency from 25% to 15% for City-Specific Audit Services and Retroactive Recovery. Exhibit "C-2" is attached hereto and incorporated by reference. Consultant shall be compensated for the services described in Exhibit "A".
3. No Other Amendments. Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement, First Amendment, and this Second 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, First Amendment, and this Second Amendment, the terms of this Second Amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this Second Amendment in Redondo Beach, California, as of this 16th day of August, 2022.

CITY OF REDONDO BEACH,
a chartered municipal corporation

MUNISERVICES, LLC,
a Delaware limited liability company

William C. Brand, Mayor

By: Carl Kumpf
Name: Chief Financial Officer
Title: _____

ATTEST:

APPROVED:

Eleanor Manzano, City Clerk

Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

Michael W. Webb, City Attorney

EXHIBIT "B-2"

SCHEDULE FOR COMPLETION

TERM. The term of this Agreement shall be extended to August 30, 2024, unless otherwise terminated herein.

EXHIBIT "C-2"

COMPENSATION

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

- I. **ANNUAL FIXED FEE.** Consultant shall be paid a fixed annual amount of twenty thousand dollars (\$20,000).

- II. **COMPENSATION UPON TERMINATION**

- A. Upon termination by either party of the Agreement as provided herein, Consultant shall be entitled to retain any fees it may have received from the City pursuant to Section I.A of this Exhibit "C-2". Within thirty (30) days following termination, Consultant shall provide the City with a list of detections of non-compliance resulting from the compliance review activities of Consultant. The City will, in good faith, diligently seek to: i) correct such detections of non-compliance made by Consultant prior to the date of termination; and ii) collect the additional revenues that are due to the City for past periods and for the twelve quarters going forward following the correction, even though the date of actual correction may occur after the termination date. Consultant shall assist the City in this correction/collection effort at no additional charge, if so requested by the City.
- B. Consultant's right to compensation for City-Specific audit services under Section III of this Exhibit "C-2" shall survive termination of this Agreement; provided, however, that Consultant's services were performed prior to the termination of this Agreement.

- III. **COMPENSATION FOR CITY-SPECIFIC AUDIT SERVICES**

- A. Fee for City-Specific Audit Services. With respect to a City-Specific audit referred to in Section I.D.1 of Exhibit "A", City will pay Consultant fifteen percent (15%) of the additional revenues that have resulted from Consultant's City-Specific audit services.
- B. Fee for City-Specific Audit for Retroactive Recovery. Consultant shall also seek to recover, or assist the City in recovering all revenue due the City from prior periods, if any, and Consultant will receive fifteen percent (15%) of any retroactive recovery. Said 15% also applies to the monetary value of any other services, credits, property of every kind or nature, or other consideration received by the City in lieu of monetary payment received by the City for the first three years following the correction of the error/omission.
- C. Fee for City-Specific Compliance Reviews involving BOE records pertaining to prepaid wireless local charges, compensation shall be based up a fixed fee or a time and materials basis which shall be negotiated in a separate agreement for each such compliance review.

- IV. **CONSULTANT'S EXPENSES.** Consultant shall absorb all expenses incurred by Consultant in providing its services as described herein. These expenses include, but are not limited to employee salaries and benefits, insurance, airfare, auto rentals, meals, lodging, express mail, mail, telephone, copying, directories, on-line resources, and other overhead and miscellaneous expenses.
- V. **METHOD OF PAYMENT**
- A. City will notify Consultant within ten (10) days following receipt by the City of payments that are a direct result of Consultant's compliance and/or audit services (e.g. cash, installment, or other compensation directly benefitting the City). Upon receipt of such notice, Consultant shall promptly invoice the City.
- B. Consultant shall provide quarterly invoices to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Consultant may be required to provide back-up material upon request.
- C. Invoices for services rendered shall be in arrears (invoiced for the immediately preceding quarter). If the effective date of this Agreement is other than an invoice date, the City shall be invoiced for the first quarterly payment immediately following the Agreement effective date. City shall be invoiced and responsible for a prorated portion of the preceding quarter based on the effective date of this Agreement.
- VI. **SCHEDULE FOR PAYMENT.** The Total Annual Fixed Fee shall be paid in four equal quarterly payments with due dates of: March 31, June 30, September 30, and December 31. Payment will be made to Consultant within forty-five (45) days of receipt of Consultant's invoice, provided, services are completed to City's full satisfaction. Payment for City-Specific Audit Services will be made within forty-five (45) days of receipt of Consultant's invoice, rendered pursuant to Section V.A of this Exhibit "C-2", provided services are completed to City's full satisfaction.
- VII. **NOTICE.** Written notices to City and Consultant shall be given by fax, registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Consultant: MuniServices, LLC
Attn: Legal Department
7625 N. Palm Avenue, Suite 108
Fresno, CA 93711
Facsimile: 559.312.2852

With a copy to: PRA General Counsel
120 Corporate Blvd., Suite 100
Norfolk, VA 23502

City: City of Redondo Beach
415 Diamond Street
Redondo Beach, CA 90277

Attention: City Treasurer

All notices, including notices of address changes, provided under this Agreement are deemed received on the next business day if sent by fax, and 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.