CONTRACT BETWEEN THE CITY OF HUNTINGTON PARK AND LEAL & TREJO, A PROFESSIONAL CORPORATION, FOR CITY ATTORNEY SERVICES

This PROFESSIONAL SERVICES CONTRACT FOR CITY ATTORNEY SERVICES (the "Agreement") is effective as of the 1st day of October, 2012, by and between the law firm of LEAL & TREJO, A PROFESSIONAL CORPORATION ("LAW FIRM"), and the CITY OF HUNTINGTON PARK, a municipal corporation ("City"). The term "City" shall also include all boards, commissions, financing authorities, and other bodies of City.

1. <u>APPOINTMENT</u>

City Council hereby appoints Francisco Leal as the City Attorney, and hires LAW FIRM as its Office of the City Attorney, to render such legal services as are customarily rendered by such officials and as further specified herein and as required by the Government Code, including, but not limited to attending meetings of the City Council, Planning Commission, and other boards and bodies of City, and its affiliated agencies, as directed by the City.

Notwithstanding the foregoing appointment, the designated City Attorney may be established from time to time or modified solely by resolution of the City Council. LAW FIRM represents it employs, or will employ at its own expense, all personnel required for the satisfactory performance of any and all tasks and services set forth herein. LAW FIRM shall not replace the designated City Attorney (or any successor to such person) without the City Council's prior approval. A temporary assignment of another attorney besides Francisco Leal due to vacation, illness or leave will be done with the approval of the City Manager.

2. <u>SCOPE OF WORK AND DUTIES</u>

A. LAW FIRM shall perform any and all work necessary for the provision of City Attorney services to City, including, without limitation, the following:

(i) Attend all meetings of the City Council, and provide advice or opinion in writing whenever requested to do so by the City Council or by any of the officers, boards, commissions, committees, officers, and employees of the City as requested by the City Council, or City Manager, or his/her designee, in accordance with such policies and procedures as may be established by City from time to time;

(ii) At the request of the City Manager or his/her designee, attend all meetings of the Planning Commission and other board and commission meetings, unless excused by the City Manager or his/her designee;

(iii) Represent and advise the City Council and all City officers in all matters of law pertaining to their offices;

(iv) Be available for telephone consultation with City staff, as needed, on legal matters which are within their area of operation, and maintain regular office hours at City Hall as requested by the City Manager at times mutually agreed to by the City Manager and designated City Attorney;

(v) Prepare or review necessary legal documents such as: ordinances and resolutions; all agreements of any nature; all real property instruments of any nature

including purchase agreements and escrows, leases, covenants, deeds, easements and licenses; bond size, amount, and offering terms and conditions; public works construction documents including bid specifications, contracts, bonds, insurance, liens and related documents; memorandums of understanding; franchise agreements; and all similar documents, all as requested by City;

(vi) Monitor the City Prosecutor Office's criminal legal proceedings and such criminal cases involving violations of the City ordinances, as well as misdemeanor offenses and infractions arising from violations of the laws of the state, which occur within the City's jurisdiction;

(vii) Monitor pending and potential litigation as requested by City and advise as necessary; notwithstanding the foregoing, it is expressly understood that LAW FIRM shall not be responsible for any pending litigation matter(s) handled by attorneys previously or otherwise employed by the City until all files have been transferred to LAW FIRM and LAW FIRM has specifically appeared in the matter(s) as attorneys of record on behalf of City;

(viii) Monitor pending and current legislation and case law as appropriate;

(ix) Monitor and/or supervise outside legal services;

(x) Represent and appear for the City, any City officer or employee, or former City officer or employee, in any or all actions and proceedings in which the City or any such officer or employee, in or by reason of his official capacity, is concerned or is a party; and

(xi) Perform other related duties as required.

B. LAW FIRM will provide consultation and/or representation to City in all of its legal affairs, including, but not limited to, municipal law, land use, environmental, tort defense, personnel, labor representation, code enforcement, redevelopment, housing, franchising, transportation, enterprise and other matters, except where conflicts exist or where the City Council may otherwise direct. The City Attorney shall represent City in all of the foregoing legal matters and in initiating and defending all litigation, unless special counsel is retained for a particular matter upon the advice of the City Attorney, or otherwise directed by the City Council,.

C. The City Attorney will keep City informed as to the progress and status of all pending matters in accordance with such procedures as the City may establish from time to time. The City Attorney is expected to manage, control and oversee the delivery of legal services in a competent, professional, and cost-effective manner. All legal services shall be properly supervised and all personnel shall be qualified to handle the work assigned. If with the approval of the City Council outside special counsel is retained, unless otherwise directed by the City Council, such special counsel shall be supervised by the City Attorney.

D. All legal services shall be coordinated under the direction of the City Manager. Notwithstanding any other provision contained herein, any legal services can only be authorized by the City Council or City Manager. Nothing in this Agreement shall be construed in any manner as limiting the ultimate and absolute discretion of the City Council, at any time, to assign or reassign a legal matter of City from or to LAW FIRM.

3. <u>CITY DUTIES</u>

City agrees to provide such information, assistance, cooperation, and access to books, records, and other information as is necessary for LAW FIRM to effectively render its professional services under this Agreement. The City desires services to be rendered whenever possible on site, as such the City, at City's expense, will make available sufficient office space, furniture, telephones, computers, facsimile machines, and secretarial support, as approved by the City Manager, as may be necessary therefore. City further agrees to abide by this Agreement, and to timely pay LAW FIRM's bills for fees, costs, and expenses, as established by this Agreement. However, nothing in this Section, or any other part of this Agreement, shall be construed in any manner as limiting the ultimate and absolute discretion of the City Council, at any time, to assign or reassign legal matters of City from or to LAW FIRM.

4. <u>PERSONNEL</u>

City Attorney staff may be modified only as provided in Section 1 above and except as so provided, City Attorney will exercise discretion to utilize whichever attorney(s) (and staff) it determines to be best suited to render efficient and effective legal services under this Agreement.

5. <u>COMPENSATION</u>

- A. Compensation shall be as set forth in Exhibit A.
- B. Payment of Compensation shall be as set forth in Exhibit B.

6. <u>COSTS AND OTHER CHARGES</u>

LAW FIRM may incur various costs and expenses in rendering the legal services required by this Agreement which, if customary and necessary for the performance of legal services hereunder, with the prior approval of the City Manager shall be reimbursable by City. These costs and expenses are described in more detail in Exhibit A. All clerical services, ordinary travel costs (*e.g.*, from the LAW FIRM office to court or City Hall), and miscellaneous expenses (*e.g.*, telephone and facsimile charges) are included within the rates set forth above, and there shall be no additional charges for such expenses. City agrees to reimburse LAW FIRM for expenses such as experts' or consultant fees, or litigation expenses such as court reporters, which shall be passed through to the City at the actual costs thereof. Reimbursable costs shall not include any overhead or administrative charge by LAW FIRM or LAW FIRM's cost of equipment or supplies except as provided herein. Any item of expense must be explained in writing and approved by the City Manager in advance. The City will not reimburse LAW FIRM for costs for which no backup materials are provided.

City Attorney may determine it necessary or appropriate to use one or more outside investigators, consultants, or experts in rendering the legal services required (particularly if a matter goes into litigation). City will be responsible for paying such fees and charges. City Attorney will not, however, retain the services of any outside investigators, consultants, or experts without the prior agreement of City Manager and/or the City Council. City Attorney will select any investigators, consultants, or experts to be hired only after approval of City Manager.

Extraordinary travel expenses, including transportation, meals, and lodging, when incurred on behalf of the City shall be reimbursed by City only with the prior agreement of City Manager.

7. <u>STATEMENTS</u>

LAW FIRM shall render to City a statement for fees, costs, and expenses incurred on a monthly basis. Such statement(s) shall indicate the basis of the fees, including the hours worked, the hourly rate(s), and a brief description of the work performed. Separate billing categories can be established to track costs associated with City funding categories or to track project costs, or such other basis as the City may direct. Reimbursable costs shall be separately itemized. The City reserves the right to require additional substantiation of any claimed expense or item billed by LAW FIRM. Any work product or memoranda or other written material described in the invoices shall be produced to the City Manager upon request.

Services under this Contract shall not be billed in more than one-tenth of an hour (i.e., six minute) increments and shall represent the devotion of a full six minutes to a task before such an increment is billed. Under no circumstances shall LAW FIRM use "block billing" procedures, wherein a list or a series of activities is done with only an aggregate amount of time specified. All tasks set forth in LAW FIRM's billing documentation shall be highly specific and highly detailed. Overly generalized listings of task descriptions such as "research," "pre-trial preparation," "review contract," or "prepare for negotiations," will not be acceptable without an additional description of the work performed. LAW FIRM shall provide a detailed description that will provide a meaningful record to an independent auditor reviewing said task description.

LAW FIRM shall carefully examine all bills submitted for services rendered under this Contract to ensure that appropriate billing practices are employed in billing the City hereunder. To that end, LAW FIRM agrees that:

(A) They shall only bill for time which is specifically devoted to the Scope of Work;

(B) They shall not bill for the use of legal professionals for secretarial work or administrative work;

(C) They shall not bill for review of junior attorneys' work;

(D) They shall only devote resources which are reasonably necessary for the performance of the required services; and

(E) They shall utilize a billing format that sets forth sufficient detail to permit full scrutiny by City or any City-retained auditors, of all charges.

Payments shall be made by City within thirty (30) days of receipt of the statement, except for those specific items on an invoice which are contested or questioned and are returned by City with a written explanation of the question or contest, within thirty (30) days of receipt of the invoice.

8. PROHIBITION AGAINST SUBCONTRACTING OR ASSIGNMENT

The experience, knowledge, capability and reputation of LAW FIRM, its partners, associates, and employees, was a substantial inducement for City to enter into this Agreement. Therefore, LAW FIRM shall not contract with any other person or entity to perform, in whole or in part, the legal services required under this Agreement without the written approval of City. In addition, neither this Agreement, nor any interest herein, may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily, or by operation of law, whether for the benefit of creditors, or otherwise, without the prior written approval of City. Adding attorneys to LAW FIRM, changes

in the partnership, name changes and similar changes shall not be deemed a transfer or assignment requiring approval of City or amendment hereof.

9. <u>INDEPENDENT CONTRACTOR</u>

LAW FIRM shall perform all legal services required under this Agreement as an independent contractor of City, and shall remain, at all times as to City, a wholly independent contractor with only such obligations as are required under this Agreement. Neither City, nor any of its employees, shall have any control over the manner, mode, or means by which LAW FIRM, its agents or employees, render the legal services required under this Agreement, except as otherwise set forth. City shall have no voice in the selection, discharge, supervision or control of LAW FIRM employees, servants, representatives, or agents, or in fixing their number, compensation, or hours of service.

10. INSURANCE

LAW FIRM warrants and represents that it is covered by a policy of professional liability insurance, insuring City as a client, in an amount not less than \$1,000,000 per occurrence and \$3,000,000 aggregate liability.

11. **INDEMNIFICATION**

A. LAW FIRM agrees to indemnify City, its officers, employees and agents against, and will hold and save each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with the work, operations or activities of LAW FIRM, its agents, employees, subcontractors, or invitees, provided for herein or arising from the acts or omissions of LAW FIRM hereunder, or arising from LAW FIRM's performance of or failure to perform any term, provision, covenant or condition of this Agreement, except to the extent such claims or liabilities arise from the negligence or willful misconduct of City, its officers, agents or employees.

B. City acknowledges LAW FIRM is being appointed as City Attorney pursuant to the authority of Government Code Section 36505, and has the authority of that office. Accordingly, the City is responsible pursuant to Government Code Section 825 for providing a defense for the City Attorney for actions within the scope of its engagement hereunder. Therefore, City agrees to undertake its statutory duty and indemnify LAW FIRM, its officers, employees and agents against and will hold and save each of them harmless from, any and all claims or liabilities that may be asserted or claims by any person, firm or entity arising out of or in connection with the work, operations or activities of LAW FIRM within the course and scope of its performance hereunder, but nothing herein shall require City to indemnify LAW FIRM for liability arising from its own negligence.

12. <u>NOTICES</u>

Notices required pursuant to this Agreement shall be given by personal service upon the party to be notified, or by delivery of same into the custody of the United States Postal Service, or its lawful successor; postage prepaid and addressed as follows:

CITY: City of Huntington Park 6550 Miles Avenue Huntington Park, CA 90255 Attention: City Manager

ATTORNEY: Leal & Trejo, A Professional Corporation 3767 Worsham Avenue Long Beach, CA 90808 (213) 628-0808(office) (213) 628-0818(fax) Attention: H. Francisco Leal

Service of a notice by personal service shall be deemed to have been given as of the date of such personal service. Notice given by deposit with the United States Postal Service shall be deemed to have been given two (2) consecutive business days following the deposit of the same in the custody of said Postal Service. Either party hereto may, from time to time, by written notice to the other, designate a different address or person which shall be substituted for that specified above.

13. NON-DISCRIMINATION

In connection with the execution of this Agreement, LAW FIRM shall not discriminate against any employee or applicant for employment because of race, religion, marital status, color, sex, handicap, sexual persuasion, or national origin. LAW FIRM shall take affirmative action to ensure that applicants are employed, and that employees are treated fairly during their employment, without regard to their race, religion, color, sex, marital status, handicap, sexual persuasion, or national origin. Such actions shall include, but not be limited to the following: employment, promotion, demotion, transfer, duties assignment; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

14. TERM. DISCHARGE AND WITHDRAWAL

This Agreement shall commence on October 1, 2012, and shall remain in full force and effect until terminated by either party hereto. City may discharge LAW FIRM at any time. The City Attorney shall have no right to hearing or notice, and may be discharged with or without notice. LAW FIRM may withdraw from City's representation at any time, to the extent permitted by law, and the Rules of Professional Conduct, upon at least sixty (60) days written notice to City.

In the event of such discharge or withdrawal, City will pay LAW FIRM professional fees and costs, in accordance with this Agreement, for all work done (and costs incurred) through the date of cessation of legal representation, including without limitation, proration of the monthly retainer amount to the date of such cessation. City agrees to execute, upon request, a stipulation in such form as to permit LAW FIRM to withdraw as City's attorneys of record in any legal action then pending. LAW FIRM shall deliver all documents and records of City to City, or to counsel designated by City, and assist to the fullest extent possible in the orderly transition of all pending matters to City's new counsel.

15. <u>CONFLICTS</u>

LAW FIRM represents that it currently has no client with interests adverse to those of the City with respect to this Contract. LAW FIRM agrees that it shall not represent clients in matters either litigation or non-litigation against the City. In the event, in any matter, that LAW FIRM is asked to

represent another client with such an adverse interest, LAW FIRM will either obtain the City's informed written consent to that representation or will not accept the representation. Any such representation shall be in accordance with the ethical duties of members of the State Bar of California and the Bar's Rules of Professional Conduct. If an actual conflict arises, LAW FIRM will withdraw from representing either client in the matter, and assist them in obtaining outside special counsel.

16. INTERPRETATION OF AGREEMENT AND FORUM

This Agreement shall be construed and interpreted both as to validity and performance of the parties in accordance with the laws of the State of California. In the event of any dispute hereunder, forum shall be the Superior Court, Los Angeles County.

17. INTEGRATED AGREEMENT; AMENDMENT

This Agreement contains all of the agreements of the parties and cannot be amended or modified except by written agreement. No prior oral or written understanding shall be of any force or effect with respect to those matters covered in this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

18. <u>CORPORATE AUTHORITY</u>

The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that in so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date of execution by the City.

Dated: October 1, 2012

"CITY" CITY OF HUNTINGTON PARK, A municipal corporation

By: ____

RENE BOBADILLA, City Manager

ATTEST:

City Clerk

"LAW FIRM" LEAL & TREJO, A PROFESSIONAL CORPORATION

By: ____

H. FRANCISCO LEAL

EXHIBIT A BILLING RATES

(1) General legal services (which include services described in Section 2 of the Contract) will be billed at the rate of One Hundred Eighty Dollars (\$180.00) per hour, and shall not exceed Thirty Thousand Dollars (\$30,000) per month.

(2) Special legal services shall include legal services that are not described in Section 2 of the Agreement shall be billed at the rate of Two Hundred Fifty Dollars (\$250) per hour.

(3) Whenever possible all work should be completed on-site using City employees and City equipment at no charge to LAW FIRM If it is necessary to perform work on LAW FIRM's premises or outside City Hall and such work has been authorized by the City Manager and /or the City Council, LAW FIRM will be reimbursed for out-of-pocket expenses including telecopier, messenger, courier, and other communication costs; reproduction expense (.20 per page); computer research services (at actual cost); court reporters; mileage costs for travel to court and administrative proceedings (IRS standard rate); reasonable parking fees; travel expenses outside of Southern California; and other costs and expenses incurred on City's behalf.

(4) When authorized by the City Manager and/or City Council the use of LAW FIRM paralegals, irrespective of matter, the reimbursement rate shall be shall be Ninety-Five Dollars (\$95) per hour.

(5) The foregoing fee arrangement shall remain in effect until adjusted by the City Council via separate resolution.

EXHIBIT B BILLING STATEMENT AND PAYMENT

The Firm's fees are charged on a monthly basis for and are generally billed monthly with payment due within thirty (30) days after the date of the bill. The current monthly rate for the City Attorneys will be set forth in the billing statement as well as the hourly rate and staff working on matters as provided by City Manager and/or City Council will be set forth in the billing statement. Travel time is billable, except commute time to and from City Hall.

Services under this Contract shall not be billed in more than one-tenth of an hour (i.e., six minute) increments and shall represent the devotion of a full six minutes to a task before such an increment is billed. Under no circumstances shall LAW FIRM use "block billing" procedures, wherein a list or a series of activities is done with only an aggregate amount of time specified. All tasks set forth in LAW FIRM's billing documentation shall be highly specific and highly detailed. Overly generalized listings of task descriptions such as "research," "pre-trial preparation," "review contract," or "prepare for negotiations," will not be acceptable without an additional description of the work performed. LAW FIRM shall provide a detailed description that will provide a meaningful record to an independent auditor reviewing said task description.

The City reserves the right to require additional substantiation of any claimed expense or item billed by LAW FIRM. Any work product or memoranda or other written material described in the invoices shall be produced to the City Manager as requested.

The Firm will incur various costs and expenses in performing legal services. These costs and expenses are separately billed to the client and include fees fixed by law or assessed by public agencies, litigation costs including deposition, reporter fees, and transcript fees, long distance telephone calls, messenger and other delivery fees, postage, photocopying (charge of twenty cents (\$.20) per page) and other reproduction costs when necessitated and authorized by the City, all based on the actual and reasonable cost. Firm shall provide backup documentation

It is understood that Firm will not charge for mileage between its office and City facilities, nor for local telephone calls or calls made to the City. In exchange, Firm shall not be charged for calls made or received at the City, whether local or long-distance, or for copying charges since copying on-site will reduce the charge to the client.

The monthly billing statements for fees and costs shall indicate the basis of the fees, including a detailed and auditable breakdown of the hours worked, the billable rates charged and description of the work performed. All bills are expected to be paid within sixty (30) days of the date of the billing statement.