



# staff report

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TO: Honorable Mayor and Members of the City Council

ATTENTION: Jeffrey L. Stewart, City Manager

FROM: Len Gorecki, Director of Public Works

SUBJECT: Consideration and possible action to authorize the City Manager to execute Agreement File No. XXX, in a form approved by the City Attorney, with AlvaradoSmith, to provide on-call legal services related to property acquisitions for the Bellflower Boulevard Widening Project between Artesia Boulevard and SR-91.

DATE: July 11, 2016

## **EXECUTIVE SUMMARY**

Under Agreement File No. XXX, AlvaradoSmith will provide on-call legal services related to property acquisitions for the Bellflower Boulevard Widening. The properties in question are located on the west side of Bellflower Boulevard between Artesia Boulevard and SR-91 and will provide the right-of-way necessary to widen the street.

## **RECOMMENDATION TO CITY COUNCIL**

- 1) Authorize the City Manager to execute Agreement File No. XXX in a form approved by the City Attorney; or
- 2) Alternatively, discuss and take other action related to this item.

## **FISCAL IMPACT**

Under Agreement File No. XXX, AlvaradoSmith will serve as an on-call consultant providing legal services as needed. Legal services provided by an associate or a shareholder will be charged at a rate of \$265 or \$300 per hour, respectively. All costs associated with Agreement File No. XXX will be charged to the Bellflower Boulevard Widening Project utilizing Measure R grant funds in Account No. 030-47654-9000.

## **DISCUSSION**

The City Council recently approved a Funding Agreement with Metro for a Measure R grant for the Bellflower Boulevard Widening Project, between Artesia Boulevard and the SR-91. Part of the grant will be used to acquire right-of-way along the west side of the project area in order to widen the street and improve mobility around Downtown Bellflower. Because property acquisitions can be a lengthy and complex process that requires specialized knowledge to navigate, Metro has recommended the City retain the services of a law firm specializing in this subject area.

Upon request, Metro recommended three law firms that have experience working with cities to successfully acquire properties for local projects. Staff recommends contracting with one of those firms, AlvaradoSmith, to provide on-call legal services related to property acquisitions for the Bellflower Boulevard Widening project. The term of the Agreement will be three years. Services will be rendered as needed and charged according to the rates outlined in their proposal.

**ATTACHMENT**

Agreement File No. XXX ..... 3

**AGREEMENT NO. XXX  
PROFESSIONAL SERVICES AGREEMENT  
BETWEEN  
THE CITY OF BELLFLOWER  
AND  
ALVARADOSMITH  
3-YEAR ON-CALL SERVICES  
LEGAL SERVICES FOR THE BELLFLOWER BOULEVARD WIDENING PROJECT  
BETWEEN ARTESIA BOULEVARD AND SR-91**

**THIS AGREEMENT** is entered into this 11th day of July 2016, by and between the CITY OF BELLFLOWER, a municipal corporation ("CITY") and AlvaradoSmith, a Professional Corporation in California ("CONSULTANT").

**1. CONSIDERATION.**

- A. As partial consideration, CONSULTANT agrees to perform the work listed in the SCOPE OF SERVICES, below;
- B. As additional consideration, CONSULTANT and CITY agree to abide by the terms and conditions contained in this Agreement;
- C. As additional consideration, CITY agrees to pay CONSULTANT for CONSULTANT's services not to exceed sum(s) as set forth in duly executed Task Order(s). CITY will pay this sum(s) on the basis of the hourly rates and cost reimbursement rates as specified in the attached Exhibit "A," which is incorporated herein.

**2. SCOPE OF SERVICES.**

- A. CONSULTANT will perform legal services for the Bellflower Boulevard Widening Project between Artesia Boulevard and SR-91 listed in the attached Exhibit "A," which is incorporated by reference. The provisions contained in this Agreement will supersede any conflicting provisions in Exhibit A.
- B. The specific services required of CONSULTANT under this Agreement will consist of the tasks and obligations defined in a Task Order approved by CITY and CONSULTANT, in response to specific project scopes of work and services requested by CITY. Any duly executed and approved Task Order will become a part of this Agreement.

- C. Consulting services required by CITY will be provided on an as-needed basis with CITY determining and advising CONSULTANT as to when specific services are required to be performed or completed by CONSULTANT.
- D. CONSULTANT will, in a professional manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and materials, equipment, printing, vehicles, transportation, office space and facilities, and all tests, testing and analyses, calculation, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by CITY, necessary or proper to perform and complete the work and provide the professional services required of CONSULTANT by this Agreement.

### **3. PAYMENTS.**

- A. For CITY to pay CONSULTANT as specified by this Agreement and as set forth in each approved Task Order, CONSULTANT must submit a detailed invoice to CITY which lists the hours worked and hourly rates for each personnel category and reimbursable costs (all as set forth in Exhibit "A"), the tasks performed, the percentage of the task completed during the billing period, and the cumulative percentage completed for each task.
- B. CITY's City Manager may make payments up to \$20,000 for special items of work not included in the project scope of work and services as set forth in the Task Order. Payments for special work will only be made after CITY issues a written notice to proceed for the specific special tasks. A written scope of work, an agreed upon additional fee, a schedule for starting and completing the special tasks, and an agreed upon extension of the time for performance, if needed to complete the special work, will be required before CITY issues a notice to proceed for special work. All special work will be subject to all other terms and provisions of this Agreement.

### **4. FAMILIARITY WITH WORK.**

- A. By executing this Agreement, CONSULTANT agrees that CONSULTANT has
  - i. Carefully investigated and considered the scope of services to be performed;

- ii. Carefully considered how the services should be performed; and
  - iii. Understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement.
- B. If services involve work upon any site, CONSULTANT agrees that CONSULTANT has or will investigate the site and is or will be fully acquainted with the conditions there existing, before commencing the services hereunder. Should CONSULTANT discover any latent or unknown conditions that may materially affect the performance of the services, CONSULTANT will immediately inform CITY of such fact and will not proceed except at CONSULTANT's own risk until written instructions are received from CITY.

**5. TERM.**

- A. The term of this Agreement will be for a period of three (3) years beginning on the date of this Agreement, except that the term will be extended to the completion date of any Task Order in effect at the end of the term of this Agreement.
- B. The term of this Agreement and any Task Order may be extended as determined by the City Public Works Director or by written amendment to the Agreement or any Task Order.
- C. The time allowed for CONSULTANT's completion of the services to be provided in accordance with the provisions of any Task Order will be as set forth in the Task Order.
- D. When services are requested by CITY, CONSULTANT will commence the requested services within a three-week notice period at any time during the term of this Agreement. CITY may terminate this Agreement as stated in Section 13.

**6. COMMENCEMENT OF WORK.** CONSULTANT will not perform any work for specific project scopes of work and services under duly executed and approved Task Orders under this Agreement until:

- A. CONSULTANT furnishes annual proof of insurance as required under Section 21 of this Agreement; and
- B. CITY gives CONSULTANT a written notice to proceed.

- C. Should CONSULTANT begin work on any approved Task Order in advance of receiving written authorization to proceed, any such professional services are at CONSULTANT's own risk.

**7. TIME EXTENSIONS DUE TO DELAY.** Should CONSULTANT be delayed by causes beyond CONSULTANT's control, CITY may grant a time extension for the completion of the contracted services. If delay occurs, CONSULTANT must notify the City Public Works Director within forty-eight hours (48 hours), in writing, of the cause and the extent of the delay and how such delay interferes with the Agreement's schedule. The City Public Works Director will extend the completion date, when appropriate, for the completion of the contracted services.

**8. CHANGES.** CITY may order changes in the services within the general scope of this Agreement, or in any duly executed Task Order, consisting of additions, deletions, or other revisions, and the contract sum and the contract time will be adjusted accordingly. All such changes must be authorized in writing, executed by CONSULTANT and CITY. The cost or credit to CITY resulting from changes in the services will be determined in accordance with written agreement between the parties.

**9. TAXPAYER IDENTIFICATION NUMBER.** CONSULTANT will provide CITY with a Taxpayer Identification Number.

**10. PERMITS AND LICENSES.** CONSULTANT, at its sole expense, will obtain and maintain during the term of this Agreement, all necessary permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.

**11. PROJECT COORDINATION AND SUPERVISION.**

- A. CONSULTANT's professional services will be actually performed by, or immediately supervised by Keith E. McCullough.
- B. A specific individual employed by CONSULTANT, and approved by the City Public Works Director, will be assigned as Project Manager for each specific project defined in the Task Orders. The assigned Project Manager will be responsible for job performance, fee negotiations, and contractual matters, and is personally in charge of and personally supervise or perform the technical execution of the Project on a day-to-day basis on behalf of CONSULTANT, and will maintain direct communication with CITY's Project Manager.

- C. Should the Project Manager be unable to complete his/her respective responsibilities on any specific project assignment as set forth in the Task Order, for any reason, he/she will be replaced by another qualified person approved by the City Public Works Director.

12. **WAIVER.** CITY's review or acceptance of, or payment for, work product prepared by CONSULTANT under this Agreement will not be construed to operate as a waiver of any rights CITY may have under this Agreement or of any cause of action arising from CONSULTANT's performance. A waiver by CITY of any breach of any term, covenant, or condition contained in this Agreement will not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained in this Agreement, whether of the same or different character.

**13. TERMINATION.**

- A. Except as otherwise provided, CITY may terminate this Agreement, or any individual Task Order, at any time with or without cause. Notice will be in writing at least thirty (30) days before the effective termination date.
- B. CONSULTANT may terminate this Agreement, or any individual Task Order, at any time with CITY's mutual consent. Notice will be in writing at least thirty (30) days before the effective termination date.
- C. Should termination occur, all finished or unfinished documents, data, studies, surveys, drawings, maps, reports and other materials prepared by CONSULTANT will, at CITY's option, become CITY's property, and CONSULTANT will receive just and equitable compensation for any work satisfactorily completed up to the effective date of notice of termination, not to exceed the total costs under Section 1(C).
- D. Should the Agreement, or any individual Task Order, be terminated pursuant to this Section, CITY may procure on its own terms services similar to those terminated.
- E. By executing this document, CONSULTANT waives any and all claims for damages that might otherwise arise from CITY's termination under this Section.

14. **NOTICE OF BREACH AND OPPORTUNITY TO CURE.** Neither party will be deemed to be in breach of this Agreement based on a breach that is capable of being cured until it has received written notice of the breach from the other party. The party charged with breach will have fifteen (15) days from the date of receiving such notice in

which to cure the breach or otherwise respond. If the circumstances leading to the charge that the Agreement was breached have not been cured or explained to the satisfaction of the other party within fifteen (15) days from the date on which the party received notice of breach, the non-breaching party may terminate this Agreement.

**15. OWNERSHIP OF DOCUMENTS.** All documents, data, studies, drawings, maps, models, photographs and reports prepared by CONSULTANT under this Agreement are CITY's property. CONSULTANT may retain copies of said documents and materials as desired, but will deliver all original materials to CITY upon CITY's written notice. CITY agrees that use of CONSULTANT's completed work product, for purposes other than identified in this Agreement, or use of incomplete work product, is at CITY's own risk.

**16. PUBLICATION OF DOCUMENTS.** Except as necessary for performance of service under this Agreement, no copies, sketches, or graphs of materials, including graphic art work, prepared pursuant to this Agreement, will be released by CONSULTANT to any other person or City without CITY's prior written approval. All press releases, including graphic display information to be published in newspapers or magazines, will be approved and distributed solely by CITY, unless otherwise provided by written agreement between the parties.

**17. INDEMNIFICATION.**

A. CONSULTANT agrees to the following:

- i. *Indemnification for Professional Services.* CONSULTANT will save harmless and indemnify and at CITY's request reimburse defense costs for CITY and all its officers, volunteers, employees and representatives from and against any and all suits, actions, or claims, of any character whatever, brought for, or on account of, any injuries or damages sustained by any person or property resulting or arising from any negligent or wrongful act, error or omission by CONSULTANT or any of CONSULTANT's officers, agents, employees, or representatives, in the performance of this Agreement, except for such loss or damage arising from CITY's sole negligence or willful misconduct.
- ii. *Indemnification for other Damages.* CONSULTANT indemnifies and holds CITY harmless from and against any claim, action, damages, costs (including, without limitation, attorney's fees), injuries, or liability, arising out of this Agreement, or its performance, except for such loss or damage arising from CITY's sole negligence or willful misconduct. Should CITY be named in any suit, or should any claim

be brought against it by suit or otherwise, whether the same be groundless or not, arising out of this Agreement, or its performance, CONSULTANT will defend CITY (at CITY's request and with counsel satisfactory to CITY) and will indemnify CITY for any judgment rendered against it or any sums paid out in settlement or otherwise.

- B. For purposes of this section "CITY" includes CITY's officers, officials, employees, agents, representatives, and certified volunteers.
- C. It is expressly understood and agreed that the foregoing provisions will survive termination of this Agreement.
- D. The requirements as to the types and limits of insurance coverage to be maintained by CONSULTANT as required by Section 21, and any approval of said insurance by CITY, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

**18. ASSIGNABILITY.** This Agreement is for CONSULTANT's professional services. CONSULTANT's attempts to assign the benefits or burdens of this Agreement without CITY's written approval are prohibited and will be null and void.

**19. INDEPENDENT CONTRACTOR.** CITY and CONSULTANT agree that CONSULTANT will act as an independent contractor and will have control of all work and the manner in which it is performed. CONSULTANT will be free to contract for similar service to be performed for other employers while under contract with CITY. CONSULTANT is not an agent or employee of CITY and is not entitled to participate in any pension plan, insurance, bonus or similar benefits CITY provides for its employees. Any provision in this Agreement that may appear to give CITY the right to direct CONSULTANT as to the details of doing the work or to exercise a measure of control over the work means that CONSULTANT will follow the direction of the CITY as to end results of the work only.

**20. AUDIT OF RECORDS.** CONSULTANT will maintain full and accurate records with respect to all services and matters covered under this Agreement. CITY will have free access at all reasonable times to such records, and the right to examine and audit the same and to make transcript therefrom, and to inspect all program data, documents, proceedings and activities. CONSULTANT will retain such financial and program service records for at least four (4) years after termination or final payment under this Agreement.

21. **INSURANCE.**

- A. Before commencing performance under this Agreement, and at all other times this Agreement is effective, CONSULTANT must procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

<u>Type of Insurance</u>	<u>Limits (combined single)</u>
Commercial general liability:	\$2,000,000
Professional Liability	\$1,000,000
Business automobile liability	\$1,000,000
Workers compensation	Statutory requirement.

- B. Commercial general liability insurance will meet or exceed the requirements of the most recent ISO-CGL Form. The amount of insurance set forth above will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies will be endorsed to name City, its officials, and employees as "additional insureds" under said insurance coverage and to state that such insurance will be deemed "primary" such that any other insurance that may be carried by City will be excess thereto. Such insurance will be on an "occurrence," not a "claims made," basis and will not be cancelable or subject to reduction except upon thirty (30) days prior written notice to City.
- C. Automobile coverage will be written on ISO Business Auto Coverage Form CA 00 01 06 92, including symbol 1 (Any Auto).
- D. Professional liability coverage will be on an "occurrence basis" if such coverage is available, or on a "claims made" basis if not available. When coverage is provided on a "claims made basis," CONSULTANT will continue to maintain the insurance in effect for a period of three (3) years after this Agreement expires or is terminated ("extended insurance"). Such extended insurance will have the same coverage and limits as the policy that was in effect during the term of this Agreement, and will cover CONSULTANT for all claims made by City arising out of any errors or omissions of CONSULTANT, or its officers, employees or agents during the time this Agreement was in effect.
- E. CONSULTANT will furnish to City duly authenticated Certificates of

Insurance evidencing maintenance of the insurance required under this Agreement, endorsements as required herein, and such other evidence of insurance or copies of policies as may be reasonably required by City from time to time. Insurance must be placed with insurers with a current A.M. Best Company Rating equivalent to at least a Rating of "A:VII."

- F. Should CONSULTANT, for any reason, fail to obtain and maintain the insurance required by this Agreement, City may obtain such coverage at CONSULTANT's expense and deduct the cost of such insurance from payments due to CONSULTANT under this Agreement or terminate.
- G. Self-Insured Retention/Deductibles. All policies required by this Agreement must allow CITY, as additional insured, to satisfy the self-insured retention ("SIR") and deductible of the policy in lieu of CONSULTANT (as the named insured) should CONSULTANT fail to pay the SIR or deductible requirements. The amount of the SIR or deductible is subject to the approval of the City Attorney and the Finance Director. CONSULTANT understands and agrees that satisfaction of this requirement is an express condition precedent to the effectiveness of this Agreement. Failure by CONSULTANT as primary insured to pay its SIR or deductible constitutes a material breach of this Agreement. Should CITY pay the SIR or deductible on CITY's behalf upon the CONSULTANT'S failure or refusal to do so in order to secure defense and indemnification as an additional insured under the policy, CITY may include such amounts as damages in any action against CONSULTANT for breach of this Agreement in addition to any other damages incurred by CITY due to the breach.

**22. USE OF SUBCONTRACTORS.** CONSULTANT must obtain CITY's prior written approval to use any subcontractor while performing any portion of this Agreement. Such approval must be of the proposed subcontractor and the terms of compensation. The subcontractor for any specific project scopes of work and services will be listed in the Task Order.

**23. INCIDENTAL TASKS.** When required by any Task Order, CONSULTANT will meet with CITY monthly to provide the status on the project, which will include a schedule update and a short narrative description of progress during the past month for each major task, a description of the work remaining and a description of the work to be done before the next schedule update.

**24. NOTICES.** All communications to either party by the other party will be deemed made when received by such party at its respective name and address as follows:

If to CONSULTANT:

Attention: Keith E. McCullough  
AlvaradoSmith  
1 MacArthur Place  
Suite 200  
Santa Ana, CA 92707  
(714) 852-6800  
Kmcullough@alvaradosmith.com

If to CITY:

Attention: Len Gorecki  
City of Bellflower  
16600 Civic Center Drive  
Bellflower, CA 90706  
(562) 804-1424  
lgorecki@bellflower.org

Any such written communications by mail will be conclusively deemed to have been received by the addressee upon deposit thereof in the United States Mail, postage prepaid and properly addressed as noted above. In all other instances, notices will be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph.

**25. SOLICITATION.** CONSULTANT maintains and warrants that it has not employed nor retained any company or person, other than CONSULTANT's bona fide employee, to solicit or secure this Agreement. Further, CONSULTANT warrants that it has not paid nor has it agreed to pay any company or person, other than CONSULTANT's bona fide employee, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Should CONSULTANT breach or violate this warranty, CITY may rescind this Agreement without liability.

**26. THIRD PARTY BENEFICIARIES.** This Agreement and every provision herein is generally for the exclusive benefit of CONSULTANT and CITY and not for the benefit of any other party. There will be no incidental or other beneficiaries of any of CONSULTANT's or CITY's obligations under this Agreement. Notwithstanding the foregoing provisions, the State of California may exercise the rights reserved for it under this Agreement to ensure compliance with applicable California laws and regulations.

**27. INTERPRETATION.** This Agreement was drafted in, and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this agreement will be in Los Angeles County.

**28. ENTIRE AGREEMENT.** This Agreement, and its Exhibits, sets forth the entire understanding of the Parties. There are no other understandings, terms or other agreements expressed or implied, oral or written. There is one (1) Exhibit to this

Agreement. This Agreement will bind and inure to the benefit of the parties to this Agreement and any subsequent successors and assigns.

29. **CONSISTENCY.** In interpreting this Agreement and resolving any ambiguities, the main body of this Agreement takes precedence over the attached Exhibit; this Agreement supersedes any conflicting provisions:

A. Exhibit A: Proposal for Services.

30. **RULES OF CONSTRUCTION.** Each Party had the opportunity to independently review this Agreement with legal counsel. Accordingly, this Agreement will be construed simply, as a whole, and in accordance with its fair meaning; it will not be interpreted strictly for or against either Party.

31. **SEVERABILITY.** If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion will be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Agreement will continue in full force and effect.

32. **AUTHORITY/MODIFICATION.** The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and to engage in the actions described herein. This Agreement may be modified by written amendment. CITY's city manager, or designee, may execute any such amendment on behalf of CITY.

33. **ACCEPTANCE OF FACSIMILE SIGNATURES.** The Parties agree that this Agreement, agreements ancillary to this Agreement, and related documents to be entered into in connection with this Agreement will be considered signed when the signature of a party is delivered by facsimile transmission. Such facsimile signature will be treated in all respects as having the same effect as an original signature.

34. **COVENANTS AND CONDITIONS.** The parties agree that all of the provisions hereof will be construed as both covenants and conditions, the same as if the words importing such covenants and conditions had been used in each separate paragraph.

35. **CAPTIONS.** The captions of the paragraphs of this Agreement are for convenience of reference only and will not affect the interpretation of this Agreement.

36. **FORCE MAJEURE.** Should performance of this Agreement be prevented due to fire, flood, explosion, war, embargo, government action, civil or military authority, the natural

elements, or other similar causes beyond the Parties' control, then the Agreement will immediately terminate without obligation of either party to the other.

**37. TIME IS OF ESSENCE.** Time is of the essence for each and every provision of this Agreement.

**38. STATEMENT OF EXPERIENCE.** By executing this Agreement, CONSULTANT represents that it has demonstrated trustworthiness and possesses the quality, fitness and capacity to perform the Agreement in a manner satisfactory to CITY. CONSULTANT represents that its financial resources, surety and insurance experience, service experience, completion ability, personnel, current workload, experience in dealing with private consultants, and experience in dealing with public agencies all suggest that CONSULTANT is capable of performing the proposed contract and has a demonstrated capacity to deal fairly and effectively with and to satisfy a public agency.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement the day and year first hereinabove written.

**CITY OF BELLFLOWER**

**ALVARADOSMITH**

\_\_\_\_\_  
**Jeffrey L. Stewart, City Manager**

\_\_\_\_\_  
**Keith E. McCullough, Shareholder**

**ATTEST:**

\_\_\_\_\_  
**Mayra Ochiqui, City Clerk**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Karl H. Berger, City Attorney**

**Taxpayer ID No. 33-0545440**

# EXHIBIT A: Proposal for Services



1 MacArthur Place  
Suite 200  
Santa Ana, California 92707  
Phone: 714.852.6800  
Fax: 714.852.6899  
www.AlvaradoSmith.com

A PROFESSIONAL CORPORATION  
INCLUDING PROFESSIONAL CORPORATIONS

Los Angeles  
213.229.2400

San Francisco  
415.624.8665

Raymond G. Alvarado,  
1936-2014

KEITH E. MCCULLOUGH]  
(714) 852-6805  
(714) 852-6899  
KMCCULLOUGH@ALVARADOSMITH.COM

June 28, 2016

VIA EMAIL

**Jeffrey Stewart**  
**City Manager**  
**Len Gorecki**  
**Director of Public Works**  
**City of Bellflower**  
**16600 Civic Center Drive**  
**Bellflower, CA 90706**

Re: Legal Representation  
Proposed Client: City of Bellflower  
Proposed Matter: Bellflower Blvd. widening at 91 Freeway and Artesia Blvd.

Dear Jeff and Len:

Thank you for the opportunity to be of service. The purpose of this letter is to confirm the terms upon which AlvaradoSmith ("Firm" or "we") will provide legal services to the City of Bellflower ("you" or "your"). This letter shall expire by its own terms if not signed, dated and received by the Firm within fifteen (15) calendar days from the date of this letter.

1. **Scope of Representation.** The Firm will provide legal services to you in connection with the Bellflower Boulevard widening between the 91 Freeway and Artesia Boulevard, together with necessary environmental review, property rights acquisition and project implementation ("Services").
2. **The Retainer.** Due to your status as a public agency, no retainer is required from you prior to commencing any Services. There may be occasions when an advance on extraordinary costs and/or fees may be requested.

The Firm shall deposit any advance on costs and/or fee into its client trust account and then apply it to amounts invoiced. You agree to replenish the amount withdrawn within thirty (30) days after receipt of an invoice from the Firm and to pay any additional amounts then due.

**Jeffrey Stewart**

June 28, 2016

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The Firm will return any unused portion of any advance on costs and/or fees upon completion of the Services. Any amounts in excess of the retainer will be billed to you.

3. **Fees and Billing Policy.** I, as a shareholder of the Firm, will be primarily responsible for your representation. I will likely be assisted by one of my associates. From time to time, other Firm attorneys or paralegals may work on your matters when appropriate and cost-effective.

Our legal fees are based on how much time is spent on your matter and by whom it is spent. Time is charged in minimum units of tenths (1/10) hours. The standard hourly rates for me is \$575/hour. Our current rates for other attorneys range from \$360 to \$625. However, as a courtesy, for matters that we handle for you, so long as you make invoiced payments of all amounts due this Firm within thirty (30) days from the date of the invoice, we will charge you special, discounted rates. My discounted hourly rate, and that of all other shareholders of the Firm, will be \$300/hour. The special, discounted hourly rate for associates of the Firm will be \$265/hour. Please note that we are giving you the discounted rates as a courtesy only if invoices are paid within thirty (30) days from the invoice date. Should you fail to keep current on any outstanding invoices you owe to the Firm, the Firm reserves the right to withdraw the discount and invoice you at the Firm's then current standard hourly rates. Further, all additional work, if any, will be completed at the Firm's then current standard hourly rates. Subject to applicable laws, the Firm will withdraw as your counsel if you fail to timely pay your invoices. From time to time the Firm reviews and may increase hourly rates. We will give you advance notice should hourly rates be increased.

Invoices for out-of-pocket expenses, including without limitation, parking and other local travel expenses, computerized legal services, outsourced photocopying and other reproduction costs, clerical staff overtime, long-distance telephone charges, deposition transcripts, expert witness fees, courier and messenger services, and postage, will be billed monthly at the actual cost incurred by us. If required in the course of representing you, you also agree to pay transportation, meals, lodging and all other costs of any necessary, but unlikely, out-of-town travel by our personnel. In-office photocopying is billed at 20¢ per page for black and white, and 50¢ per page for color, black and white printing at 10¢ per page, color printing at 50¢ per page, facsimiles at 20¢ per page, and personal automobile mileage at 51¢ per mile. Firm policy prevents us from advancing money on behalf of clients for out-of-pocket costs attendant to the Services. You must pay for any out-of-pocket costs required in connection with your matter directly as such costs are incurred.

The Firm will bill you for its services and expenses monthly. You agree to pay the Firm's statements upon presentation. Each statement is delinquent if not paid within thirty (30) days from its date. Any amount not paid within sixty (60) days of the invoice date shall accrue interest at the rate of ten percent (10%) per year. If any statement is not paid promptly, we

**Jeffrey Stewart**

June 28, 2016

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reserve the right to discontinue performing services. If you have questions concerning your statement at any time, please do not hesitate to contact me for clarification.

If you are ordered to pay costs or attorney fees incurred by another party, you will be responsible for that payment. Conversely, if any such fees or costs are paid to the Firm, we will credit such amount against what you owe the Firm. In the event a recovery is obtained or transaction is completed, you hereby grant the Firm a lien on the proceeds obtained in the amount of all unpaid attorney fees and costs advanced on all Services or other matters handled by the Firm on your behalf.

4. **Conflicts of Interest.** Based on our discussions with you, we have not identified any conflicts of interest which we believe would legally prevent us from performing the Services. You will provide us with a preliminary title report or litigation guarantee in the coming days. In the event any potential conflict is subsequently identified, we will take appropriate steps to attempt to resolve any issues. In the event that such a conflict cannot be resolved, we will confer with you regarding your alternatives.

5. **Cooperation.** You agree to fully respond to any inquiries we make, provide written materials or documents in a timely manner, and otherwise provide us with any and all information necessary for the prosecution and/or defense of litigation matters that we handle on your behalf and for the resolution of transactional matters that we handle on your behalf. Failure to provide such information could prejudice your interests in such litigation and transactional matters and may ultimately reduce the effectiveness of our representation.

6. **Insurance Coverage Issues.** At your instruction, we will cooperate with your insurance carrier and insurance professionals by providing information regarding your claim and copies of your billings. Unless otherwise specifically agreed to by the Firm in writing, insurance coverage and payment issues are expressly your responsibility. Accordingly, we will bill our fees and costs directly to you, and payment will be due from you on a current basis, regardless of whether your carrier eventually reimburses you.

7. **No Guaranty.** The Firm does not and cannot guarantee any particular result. Unless otherwise agreed in this agreement, we cannot predict the total amount of our fees. You acknowledge that the Firm has made no promises about the outcome of your matter, including the costs and expenses, and opinions offered or budgets provided by the Firm do not constitute guaranties.

8. **Termination.** The law gives you the right to terminate the Firm at any time. Similarly, subject to the Firm giving you reasonable notice for you to arrange alternative counsel, we have the right to discontinue work on pending matters or terminate our attorney-client relationship at any time (i) that a statement remains due and unpaid sixty (60) days after it has been sent, (ii)

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when we believe that our relationship with you violates ethical principles and standards, or (iii) termination of the relationship is required or permitted by law.

All files and/or documents retained at the Firm relating to your representation are now and will remain your property ("Client Files") except for the Firm's internal and/or administrative documents, such as attorney work sheets and time sheets. You may have access to your Client Files upon reasonable advance notice, and upon termination of our representation, you may withdraw your Client Files with prior written notice. The Firm reserves the right to photocopy your Client Files at your expense. Subject to our applicable legal and ethical obligations, the Firm will retain your Client Files for 12 months following the cessation of our representation on this matter, or such other period of time as the Firm deems appropriate. At that time, the Firm will make reasonable efforts to contact you to determine if you want your Client Files. If you do not respond, or the Firm cannot locate you, the Firm will destroy your Client Files pursuant to our legal and ethical obligations. In the event you choose to change representation to any attorney outside this Firm, a written notice authorizing the transfer of your Client Files must be submitted. We reserve the right to retain photocopies of any of your Client Files.

9. **Lien.** You hereby grant the Firm a lien on any and all claims or causes of action that are the subject of the representation under this agreement. The lien will be for any sums owing to the Firm at the conclusion of services performed. The lien will attach to any recovery you may obtain, whether by arbitration award, judgment, settlement or otherwise. The effect of such a lien is that the Firm may be able to compel payment of fees and costs from any such funds recovered on behalf of you even if the Firm has been discharged before the end of the case. Because a lien may affect your property rights, you may seek the advice of an independent attorney of your choice before agreeing to such a lien. **By initialing this paragraph, you represent and agree that you have had a reasonable opportunity to consult such an independent attorney and – whether or not you have chosen to consult such an independent attorney – you agree that the Firm will have a lien as specified above.**

\_\_\_\_\_ (Client Initial Here) \_\_\_\_\_ (Firm Initial Here)

11. **Dispute Resolution.** In the event you become dissatisfied with any aspect of our relationship, we encourage you to bring such concerns to our attention immediately. If we are unable to resolve any dispute to our mutual satisfaction, the Firm will first comply with any mandatory dispute resolution procedures that may apply to any such dispute. This means that if the dispute involves fees that we have charged you, we will first bring our claim before the Mandatory Fee Arbitration Committee in Los Angeles County, California, in accordance with the State Bar Rules for Mandatory Fee Arbitration.

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If we are unable to resolve any dispute, regardless of its nature, and after mandatory dispute resolution procedures have been waived or exhausted (including but not limited to, Mandatory Fee Arbitration), the parties shall submit such dispute to final and binding arbitration in Los Angeles County, California before the American Arbitration Association and pursuant to its Commercial Arbitration Rules, unless the parties agree in writing to a different arbitration method or forum. You acknowledge and agree that in arbitration there is no right to a trial by jury, and the arbitrator's legal and factual determinations are generally not subject to appellate review.

The initial resort to the courts by either party shall not be considered a waiver of that party's right to compel binding arbitration under this provision. Arbitration shall be in accordance with the laws of the State of California. The Firm is hereby advising you that if you have questions concerning the advisability of arbitration, you should seek independent legal counsel prior to signing this agreement.

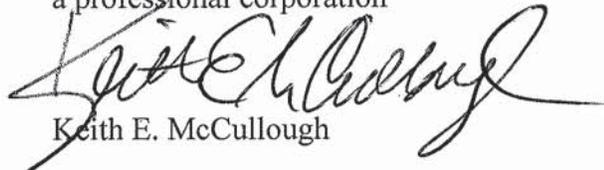
The foregoing provision regarding attorneys' fees and costs shall not apply to consumer arbitration or consumer party(ies) as those terms are defined in Sections 2(d) and 2(e), respectively, of the California Rules of Court Ethics Standards for Neutral Arbitrators.

12. **Conclusion.** If the arrangements described in this letter are acceptable to you, please sign one copy of this letter where indicated and return it to me.

We appreciate the confidence you have in the Firm and look forward to serving you.

Sincerely yours,

ALVARADO SMITH,  
a professional corporation



Keith E. McCullough

Agreed to and accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2016

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Jeffrey Stewart,  
City Manager  
City of Bellflower