


## REPORT TO CITY COUNCIL

**DATE:** JUNE 25, 2014

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM:** GREG RAMIREZ, CITY MANAGER 

**SUBJECT:** UPDATED AND RESTATED AGREEMENT FOR CITY ATTORNEY SERVICES

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Richards, Watson & Gershon have provided City Attorney services to the City since incorporation. Four partners in the firm have served as Agoura Hills City Attorney during that time. In July of 2012, the City Council appointed Candice K. Lee as City Attorney.

The firm has served the City under a legal services agreement that has been in effect since the early 1990's, and has been amended several times since then. The firm provides legal services at hourly rates depending on the type of service provided. In May of 2006 the firm requested an increase in the "General Services" rate from \$170 per hour to \$185 per hour. The existing "General Services" rate has been in effect since 2002. This agreement establishes a "General Services" rate of \$190, which compares favorably to rates the firm charges other cities in the region.

This restated agreement combines all of the existing provisions of the legal services agreement and amendments into one document. It notes the prior appointment of Ms. Lee as City Attorney and makes the previously-approved General Services" rate increase effective as of July 1, 2014.

Other changes to the agreement include an increase in General Liability insurance coverage from \$1 million to \$2 million per incident. As well as a transfer of Employment Special Services into the Special Services category, and a reduction in rate from \$325 to \$250.

Funds were appropriately budgeted this fiscal year for this action.

### RECOMMENDATION

Staff respectfully recommends the City Council approve and authorize the Mayor to execute the Restated Agreement for City Attorney Services between the City and Richards, Watson & Gershon in the form attached to this Report to City Council.

Attachments: (A) Restated Agreement for Legal Services between the City of Agoura Hills and Richards, Watson & Gershon, A Professional Corporation

# AGREEMENT ROUTING SLIP FOR

Richards, Watson & Gershon

Special Agreement – Over \$25K

**Attached, please find (check one of the following boxes):**

- |   |   |
|---|---|
| <input type="checkbox"/> Standard Template with no changes<br>Complete Section 2 only | <input checked="" type="checkbox"/> Outside Agency Agreement<br>Complete Sections 1 and 2 |
| <input type="checkbox"/> Standard Template with changes<br>Complete Sections 1 and 2  | <input type="checkbox"/> Special Agreement<br>Complete Sections 1 and 2                   |

**Section 1 – Changes to template or insurance:** Receive Department Head approval to amend. Check with Risk Manager for insurance and/or template amendments. Risk Manager will authorize emailing City Attorney for template review and approval. Attach City Attorney email response (approval) to this slip.

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> <u>AK</u> (Dept. Head Initials/Date)<br>Authorization to Amend Agreement | <input type="checkbox"/> _____ (Risk Manager Initials/Date)<br>Approval to Forward to City Attorney      |
| <input type="checkbox"/> _____ (Risk Manager Initials/Date)<br>Insurance Amended (See Notes Below)           | <input type="checkbox"/> _____ Staff Initials(From No. 1 Below)<br>City Attorney Email Approval Attached |
| <input type="checkbox"/> _____ (Risk Manager Initials/Date)<br>Template Amended (See Notes Below)            | <input checked="" type="checkbox"/> <u>AK</u> Staff Initials/Date<br>Other (See Notes Below)             |

**Section 2 – Signed agreement received from Consultant.** Sign/date and attach this routing slip to the proposed agreement and route to staff in the order listed below (i.e., 2-4). Submit the signed agreement, including the appropriate insurance and endorsement, with this completed routing slip, to the Risk Manager (insurance review/approval) who will forward to the City Clerk for final review/distribution. Agreements without the appropriate insurance attached will be returned to the department. A copy of the final agreement will be provided to the Consultant and the staff person (in Item No. 1 below)

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|--|--|
| 1. <u>Candice Lee</u><br>Prepared by (Staff Name/Date)         | 2. <u>AK</u><br>Department Head - Date<br>(Authorization to forward to Risk Mgr/Clerk) |
| 3. _____<br>Risk Manager – Date<br>(Insurance Review/Approval) | 4. <u>AK</u><br>City Clerk – Date<br>(Format Review/Final Distribution)                |

**- FOR CITY CLERK USE ONLY -**

Year: \_\_\_\_\_ Month/Day: \_\_\_\_\_  
Agreement/Insurance Received: \_\_\_\_\_  
To City Attorney for Signatures: \_\_\_\_\_  
To City Manager/Mayor for Signatures: \_\_\_\_\_  
City Attorney Email/Scope Attached: \_\_\_\_\_  
Distributed to Consultant/Staff: \_\_\_\_\_  
Laserfiche/Log/Index/File: By: \_\_\_\_\_  
Insurance Logged: By: \_\_\_\_\_

Notes:

**AGREEMENT FOR RESTATED LEGAL SERVICES  
WITH THE CITY OF AGOURA HILLS**

<b>NAME OF CONSULTANT:</b>	Richards, Watson & Gershon
<b>RESPONSIBLE PRINCIPAL OF CONSULTANT:</b>	Attn: Candice K. Lee
<b>CONSULTANT'S ADDRESS:</b>	355 S. Grand Avenue, 40 <sup>th</sup> Floor Los Angeles, CA 90071-3101
<b>CITY'S ADDRESS:</b>	City of Agoura Hills 30001 Ladyface Court Agoura Hills, CA 91301 Attn: City Manager
<b>PREPARED BY:</b>	Greg Ramirez
<b>COMMENCEMENT DATE:</b>	July 1, 2014
<b>TERMINATION DATE:</b>	Open until Terminated
<b>CONSIDERATION:</b>	Contract Price: Varies, Refer to Exhibit A

**RESTATED LEGAL SERVICES AGREEMENT BETWEEN  
THE CITY OF AGOURA HILLS AND RICHARDS, WATSON &  
GERSHON, A PROFESSIONAL CORPORATION**

**THIS RESTATED LEGAL SERVICES AGREEMENT** ("Agreement") is made and entered into as of June 25, 2014, by and between the City of Agoura Hills ("City") and the law firm of Richards, Watson & Gershon ("RWG"), a California professional corporation. In consideration of the mutual promises set forth herein, the parties agree as follows:

1. **Recitals.** This Agreement is made with respect to the following purposes and facts that each party agrees are true and correct:

A. The City desires to continue to retain RWG to provide legal services for the City, and RWG has agreed to provide such services, pursuant to the terms of this Agreement.

B. RWG is qualified to and proposes to continue to provide such legal services and discharge the duties of City Attorney; and

C. This Agreement shall supercede all previous agreements and amendments between the parties.

2. **Scope of Work.** RWG shall perform all legal services for the City of Agoura Hills as directed by the City Council, except as provided in Section 6 with respect to conflicts. RWG shall at all times faithfully and competently perform all tasks described herein in a manner satisfactory to City and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. Legal services shall include the following:

A. Attendance at City Council meetings, Successor Agency to the Agoura Hills Redevelopment Agency ("Successor Agency") meetings, Planning Commission meetings as requested, and any other meeting directed by the City Manager or his designee, unless excused therefrom by the City Manager or his designee;

B. Attendance at staff meetings as directed by the City Manager or his designee;

C. Legal research and legal advice to the City Council, Successor Agency, Planning Commission, various committees and sub-committees, the City Manager and City Staff;

D. Preparation and review of ordinances, resolutions, and agreements as requested;

E. Representation of the City in non-adversarial administrative proceedings, legislative hearings and other intergovernmental matters.

F. Representation of the City and City officials and employees in claims and litigation filed by or against the City as requested;

G. Oversight of legal matters handled by outside counsel;

H. Performance of the duties and exercise the authority of a city attorney as provided in the California Government Code, other statutes and the Agoura Hills Municipal Code;

I. Legal services for entities created by the City Council;

J. Bond counsel, disclosure counsel and issuer counsel services in connection with the issuance of bonds or other securities by the City or the Successor Agency, if and when requested by the City or the Successor Agency; and

K. Such other legal services as may be directed by the City Council or City Manager from time to time.

L. RWG is not contracted to perform Municipal Code criminal prosecution services.

3. **Term.** This Agreement shall commence as of July 1, 2014, and shall continue in effect until terminated by the City or RWG. City or RWG may terminate this Agreement at any time, with or without cause, by giving thirty (30) days written notice to the other party prior to termination of this Agreement. In the event of termination, RWG shall comply with all provisions of the Rules of Professional Conduct for the termination of a client relationship, shall assist the City in transition to a new firm, and shall be compensated for such assistance at the rates provided for in this Agreement.

4. **Designation of City Attorney.** Candice K. Lee shall be designated as City Attorney for the City of Agoura Hills. Craig Steele shall be designated as Senior Counsel to the City. Ms. Lee will be the RWG attorney with responsibility for providing legal services for the City and will be the contact for the City Council and the staff. Other RWG attorneys will be assigned by Ms. Lee to work on legal matters for the City on an "as-needed" basis under Ms. Lee's direct supervision.

5. **Compensation and Billing.**

A. **Compensation Rates.** RWG shall be compensated for the performance of legal services in accordance with the Compensation Rate Schedule for City of Agoura Hills ("Compensation Rate Schedule"), attached to this Agreement as Exhibit A and incorporated herein as though set forth in full. The terms of this Agreement and the Compensation Rate Schedule shall apply to legal services performed for entities affiliated with the City that may be established. The Compensation Rate Schedule, attached as Exhibit A, shall remain in effect until at least June 30, 2016.

B. **Billing.** RWG shall provide to City a monthly invoice for the services provided, the time spent providing those services, and costs incurred in the form

customarily supplied by RWG to public agency clients being billed on an hourly basis. City shall process and cause such invoices to be paid promptly and no later than within thirty (30) days of receipt of invoice.

6. **Conflicts of Interest.** RWG shall comply with all applicable laws and professional rules and standards relating to any known conflict of interest involving the City and matters upon which RWG is providing legal services under this Agreement. RWG shall not reveal confidential information of the City except with the consent of the City Manager, City Council or as otherwise required by law. RWG shall notify the City Manager or City Council, depending on the circumstances, of any conflict of interest related to matters upon which it is providing legal services under this Agreement upon discovery of any such conflicts. In the event that such conflict is not or cannot be waived or resolved, City shall retain alternate legal counsel and RWG shall assist and cooperate with such legal counsel retained by the City Council on the matter for which the conflict arose.

7. **Client Files.**

A. At the conclusion RWG's legal representation of the City, the original client files for the work performed under this Agreement for the City shall be made available to City. RWG will be entitled to make copies of the client files. At the conclusion of RWG's legal representation of the City, (regardless of whether City takes possession of the client files) City shall take possession of any and all original contracts, and other such important documents that may be in the client files and RWG shall have no further responsibility with regard to such documents.

B. If City does not take possession of the client files at the conclusion of the RWG's legal representation of the City, RWG shall store such client files for a period of at least one (1) year. At the conclusion of such one (1) year period, RWG may send to City a notice, advising of RWG's intention to dispose of the client files. The City shall have sixty (60) days from the date of such notice to take possession of the client files. If City does not take possession of the client files during that time, City agrees that RWG may dispose of the client files without further notice.

C. This section shall survive the expiration of this Agreement.

8. **Indemnification.** RWG agrees to indemnify, defend and hold harmless City, its elected officials, officers, agents and employees from any and all losses to the extent caused by the wrongful or negligent action or inaction of RWG or any person employed by RWG in the performance of this Agreement.

9. **Insurance.**

A. **Coverage Levels.** RWG shall maintain at all times during the term of this Agreement policies of insurance with at least the minimum coverage specified below:

1) General liability insurance with a combined single limit of not less than Two Million Dollars (\$2,000,000).

(2) Workers' compensation coverage in compliance with California law.

(3) Professional liability coverage with a minimum limit of liability of Two Million Dollars (\$2,000,000) per claim and Four Million Dollars (\$4,000,000) in the aggregate, providing coverage for any damages or losses suffered by City as a result of any error or omission or neglect by Law Firm which arises out of the professional services required by this Agreement. Such insurance may be subject to a self-insured retention or deductible to be borne entirely by Law Firm which shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000) per claim, without prior approval of the City Manager.

B. All such policies of insurance specified above shall:

1) Provide minimum thirty (30) days notice of cancellation by insurer, except in the event of non-payment of premium, in which case ten (10) days notice to be provided. Notice of cancellation of professional liability insurance to be provided by RWG; and

2) Be maintained in full force and effect throughout the term of this Agreement; and

3) Be placed with insurance carriers admitted in California with an A.M. Best rating of no less than A:VII or otherwise acceptable to City.

10. **Independent Contractor.** No employment relationship is created by this Agreement. RWG shall be an independent contractor of City, except that at all times providing services under the Agreement, RWG's shareholders and employees shall be acting as public officials.

11. **General Provisions.**

A. **Non-Discrimination.** In the performance of this Agreement, RWG shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, sexual orientation or medical condition. RWG shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, religion, color, sex, national origin, sexual orientation or medical condition. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training.

B. **Assignment/Delegation.** This Agreement contemplates the personal professional services of RWG and neither this Agreement, nor any portion thereof, shall be assigned or delegated without the prior written consent of the City Council.

C. **Interpretation.** The following rules of legal construction shall apply:

1) This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California.

2) The article and section captions and headings in this Agreement have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

3) Whenever in this Agreement the context may so require, the masculine gender shall be deemed to refer to and include the feminine and neuter, and the singular shall refer to and include the plural.

D. Attorney's Fees. The parties acknowledge and agree that each will bear its own costs, expenses and attorney's fees arising out of and/or connected with the negotiation, drafting and execution of this Agreement.

E. Notices. Any notice required to be given shall be deemed to have been given by depositing such notice in the United States mail, postage prepaid, and addressed as follows:

TO CITY:

City of Agoura Hills  
30001 Ladyface Court  
Agoura Hills, CA 91301-1335  
Attention: City Manager

TO RWG:

Candice K. Lee  
Richards, Watson & Gershon  
355 S. Grand Avenue, 40th Floor  
Los Angeles, CA 90071-3101

F. Signatories. Each signatory warrants and represents that he or she is competent and authorized to execute this Agreement on behalf of the party for whom he or she purports to sign.

G. Entire Agreement. This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

H. Modification of Agreement. This Agreement and the provisions set forth herein may be modified only by way of a written amendment to this Agreement that has been approved and executed by and on behalf of both RWG and the City.



**IN WITNESS WHEREOF**, the parties have caused their duly authorized representatives to sign below.

**CITY OF AGOURA HILLS**

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**WILLIAM D. KOEHLER**  
Mayor

**ATTEST:**

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**KIMBERLY RODRIGUES, MMC**  
City Clerk

**RICHARDS, WATSON & GERSHON,**  
a Professional Corporation

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**Kayser Sume**  
Chairman, Board of Directors

## EXHIBIT A

### RICHARDS, WATSON & GERSHON COMPENSATION RATE SCHEDULE CITY OF AGOURA HILLS EFFECTIVE JULY 1, 2014

**General Services.** "General Services" shall include all services except those defined below as "Special Services," "Litigation Services," "Bond Counsel Services," "Third-Party Reimbursed Services," and any other service provided under a separate legal services agreement. Richards, Watson & Gershon ("RWG") shall provide all General Services to the City at the blended hourly rate of \$190 per hour, billed in 1/10th hour increments. Travel time incurred on General Services would be compensated at the General Services rate.

**Special Services.** "Special Services" shall be defined to include all advisory (*i.e.*, non-litigation) service in the substantive areas of labor and employment law, real estate law, water and water rights law, public finance (other than Bond Counsel Services), and environmental law, including but not limited to, Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), Hazardous Waste, Clean Air Act, Clean Water Act and Porter-Cologne Act (NPDES) issues. Special Services shall be billed and compensated at a composite hourly rate of \$250 an hour for all attorneys, billed in 1/10th hour increments. Travel time incurred on Special Services would be compensated at the Special Services rate.

**Litigation Services.** "Litigation Services" shall include the representation of the City in writs of mandate, injunctions, breach of contract, inverse condemnation, eminent domain, election proceedings, all court proceedings, arbitrations and adversarial administrative proceedings before entities other than the City. Litigation Services will be billed and compensated at RWG's then-current standard hourly rates for the attorney providing such service discounted by 10%. In no event shall RWG's discounted rate exceed Three Hundred Thirty-Five Dollars (\$335) per hour. All such time shall be billed in 1/10th hour increments. Travel time incurred on Litigation Services would be compensated at the Litigation Services rate.

**Bond Counsel Services.** "Bond Counsel Services" shall include representing any City-related entity in the capacity of either Bond Counsel, Issuer Counsel and/or Disclosure Counsel. Bond Counsel Services shall be billed and compensated at a composite hourly rate of \$325 an hour for all attorneys, provided that the total fee for any single issue or series of bonds shall not exceed a total fee which is customary for those services on an issue or series of bonds of similar size and complexity, as approved by the City Manager. All such time shall be billed in 1/10th hour increments. Travel time incurred on Bond Counsel Services would be compensated at the Bond Counsel Services rate.

In the event the proceedings for issuance of the bonds are terminated before closing, RWG would expect to be paid for its services to the date of abandonment at the hourly rate set forth above, but the amount of that payment would be subject to reduction at the sole discretion of the City Manager.

In the event the City or Successor Agency forms or is a member of a joint powers authority which has the power to issue bonds or other securities, RWG shall provide bond counsel, disclosure counsel and/or issuer counsel services to the joint powers authority in connection with the issuance of bonds or other securities, if and when requested by the joint powers authority. The compensation for services in connection with service to the joint powers authority shall be at the Bond Counsel Services Rate unless there is a separate contract or agreement with the joint powers authority that provides a fee schedule or rate.

**Third-Party Reimbursed Services.** "Third-Party Reimbursed Services" shall include all legal services that the City elects to have reimbursed by third-parties. Third-Party Reimbursed Services shall be billed and compensated at RWG's then-current standard hourly rates for the attorney providing such service.

**Reimbursable and/or Other Costs.** Mileage shall be billed at the standard rate established by the IRS for deducting the operating expenses of an automobile used for business purposes. Copying costs will be charged at \$0.15 cents per page. Facsimile charges will be \$1 per page with a maximum charge of \$25 for any one facsimile. All other costs, such as long distance telephone charges, messenger and delivery services, and legal research services will be charged only at RWG's actual out-of-pocket expenses.