AGREEMENT TO PROVIDE SPECIAL COUNSEL LEGAL SERVICES TO THE CITY OF COSTA MESA

This Agreement to Provide Special Counsel Legal Services to the City of Costa Mesa ("Agreement") is made as of the 19th day of June, 2014, by and between the City of Costa Mesa ("City"), a California municipal corporation, and Best Best & Krieger LLP, a limited liability partnership engaged in the practice of law ("BB&K"). BB&K and City are also hereinafter referred to collectively as the "Parties."

1. TERM.

The term of this Agreement shall commence on June 19, 2014, and shall continue in full force and effect until terminated in accordance with Section 8.

2. GENERAL SCOPE OF SERVICES.

BB&K shall perform special counsel legal services as may be required from time to time by the City, its officers and City Attorney as set forth by this Agreement.

3. STATUS AS INDEPENDENT CONTRACTOR.

BB&K is an independent contractor of the City and shall not be considered an employee. BB&K shall fulfill its professional responsibilities and duties under this Agreement in a manner that is ethical and consistent with duties imposed on attorneys that represent public entities.

4. COMPENSATION AND SERVICES.

4.2 Special Counsel Legal Services Rates. Special Counsel Legal Services shall be billed at the following hourly rates of between: $225 and $375 for attorneys and $130 for paralegals and $105 for law clerks. Special Counsel Legal Services shall not be rendered to the City unless and until first authorized in writing by the City Council, City Manager or City Manager's designee. The writing shall identify the work to be done, the hourly rates and an estimate of the cost of such services.

4.2.1 Costs. Costs shall be defined and billed as follows:

4.2.1.1 Charges for printing and copying expenses for non-incidental print/copy jobs undertaken on behalf of the City at the rate of 15 cents per page for copy/print jobs exceeding 25 pages only;

4.2.1.2 Automobile mileage at the standard Internal Revenue Service (IRS) Mileage Reimbursement;

4.2.1.3 Telephone and fax charges incurred on behalf of the City at the applicable rates charged to BB&K (There shall be no charge for telephone calls and faxes to City Hall);

4.2.1.4 Non-routine electronic legal research as needed at the rates charged to BB&K; and

4.3 Rates for Reimbursable Deposit Projects. For Reimbursable Deposit Projects concerning land use and environmental legal services rendered by BB&K for special counsel legal work on development matters for which the City has collected a deposit for legal services from a developer/applicant, the City shall pay BB&K at the listed private rates minus 20%.

4.4 Rate Adjustments. The rates provided for in Section 4.2 and 4.3 shall be reviewed by City and BB&K on an annual basis. Adjustments to the rates may be made based on the Consumer Price Index or other factors agreed to in writing by the parties.

5. BILLING.

5.1 Itemized Billing. BB&K shall submit to the City within thirty (30) days after the end of each month, an itemized statement of professional services provided and the time expended providing those services. The City shall review BB&K's monthly statements and pay BB&K for all Services rendered and costs incurred, as provided for in this Agreement, on a monthly basis.

5.2 Objections to Billing. BB&K encourages City to advise BB&K promptly of any charge which appears incorrect. BB&K will assume all charges are acceptable if City does not express any concerns regarding billing within thirty (30) days of its mailing to City.

5.3 Dispute Resolution. In the event of any question or dispute regarding any billing matter covered by this Agreement, either the City Administrator or BB&K may request that such matter be referred to the City Council for resolution. The determination of the City Council or a sub-committee authorized by the City Council to review such matters shall be final and binding.

6. RESERVED.

7. INSURANCE COVERAGE AND INDEMNIFICATION.

7.1 BB&K carries errors and omissions insurance with Lloyd's of London and certain London Companies (Policy No. 146/P02603) with a total limit of liability in excess of $1,000,000 per claim, $2,000,000 aggregate, and an aggregate deductible of $375,000 for each claim. BB&K also carries general liability, business automobile liability and employer's liability insurance in the amount of $1,000,000, as well as workers' compensation coverage at the statutory amounts prescribed by law.

BB&K shall provide a copy of a valid insurance certificates and proof of coverage as required by the City, attached hereto as Exhibit A. In addition, BB&K shall provide the City with a Certificate of Insurance or required endorsements naming the City as an additional insured, indicating that our policy is primary over any insurance covered by the City and will not be cancelled without thirty (30) days prior notice to the City.

7.2 BB&K agrees to protect, and hold harmless City and its elective and appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses or damages of any nature, including attorneys' fees, for injury or death of any person, or damage to property, or interference with the use of property, arising out of or in any way connected with BB&K's negligent performance of this Agreement.

8. TERMINATION OF AGREEMENT.

This Agreement may be terminated at any time upon seven (7) days' written notice from either party, with or without cause. In the event of such

termination, BB&K shall be paid for all services authorized by the City and performed up through and including the effective date of termination.

9. CONFLICTS OF INTEREST.

BB&K represents to City that it has no other current interest in representation not disclosed to the City. In rendering legal services to the City under this Agreement, BB&K shall promptly inform the City of any conflict of interest which BB&K may have in the future and of any conflict in representation under the Rules of Professional Responsibility governing attorneys in the State of California, and shall take any and all reasonable and necessary actions to avoid such conflicts or to abstain from participation in the provision of legal services with regard to such matters in the event of any such conflicts.

IN WITNESS WHEREOF, the City and BB&K have executed this Agreement as of the date first written above.

[Signatures on following page]

CITY OF COSTA MESA

By: _____
Mayor or City Manager

BEST BEST & KRIEGER LLP

By: Sonia R. Carvalho
Partner

Attest:

By: Brenda Green
City Clerk

By: _____
City Attorney

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EXHIBIT "A"
TO
LEGAL SERVICES AGREEMENT

Insurance Certificates

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

4/30/2015

DATE (MM/DD/YYYY) 6/19/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Lockton Insurance Brokers, LLC
725 S. Figueroa Street, 35th Fl.
CA License #0F15767
Los Angeles CA 90017
(213) 689-0065

CONTACT NAME:
PHONE (A/C, No, Ext):
FAX (A/C, No):
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Vigilant Insurance Company	20397
INSURER B: Federal Insurance Company	20281
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED
1312669
Best Best & Krieger LLP
3750 University Ave., Ste. 125
Riverside CA 92502

COVERAGES BESBE01 CERTIFICATE NUMBER: 12996457 REVISION NUMBER: XXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR X Deductible: $0 GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC OTHER:	Y	N	35894252	4/30/2014	4/30/2015	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG $	$ 1,000,000 $ 1,000,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ Included $
B	AUTOMOBILE LIABILITY ANY AUTO ALL OWNED AUTOS X HIRED AUTOS SCHEDULED AUTOS X NON-OWNED AUTOS	N	N	73555244	4/30/2014	4/30/2015	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) $	$ 1,000,000 $ XXXXXXX $ XXXXXXX $ XXXXXXX $ XXXXXXX
	UMBRELLA LIAB EXCESS LIAB DED RETENTION $			NOT APPLICABLE			EACH OCCURRENCE AGGREGATE $	$ XXXXXXX $ XXXXXXX $ XXXXXXX
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N Y	N/A	71750505	4/30/2014	4/30/2015	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
The City of Costa Mesa and its elective and appointive boards, officers, agents, and employees are an Additional Insured to the extent provided by the policy language or endorsement issued or approved by the insurance carrier. Insurance provided to Additional Insured(s) is primary and non-contributory as per the attached endorsements or policy language. Notice of Cancellation applies per attached letter or endorsement(s).

CERTIFICATE HOLDER
12996457
City of Costa Mesa
Attn: City Manager
77 Fair Drive
Costa Mesa CA 92626

CANCELLATION See Attachments

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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Liability Insurance

Endorsement

Policy Period 4/30/2014 - 4/30/2015

Effective Date 4/30/2014

Policy Number 35894252

Insured Best Best & Krieger, LLP

Name of Company Vigilant Insurance Company

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Who Is An Insured, the following provision is added:

Who Is An Insured

Scheduled Person Or Organization

Subject to all of the terms and conditions of this insurance, any person or organization shown in the
Schedule, acting pursuant to a written contract or agreement between you and such person or organization, is an **insured**; but they are **insureds** only with respect to liability arising out of your
operations, or your premises, if you are obligated, pursuant to such contract or agreement, to provide
them with such insurance as is afforded by this policy.

However, no such person or organization is an **insured** with respect to any:

• assumption of liability by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that the person or organization would have in the absence of such contract or agreement.

• damages arising out of their sole negligence.

Schedule

PERSON OR ORGANIZATIONS THAT YOU ARE OBLIGATED, PURSUANT TO WRITTEN CONTRACT OR AGREEMENT BETWEEN YOU AND SUCH PERSON OR ORGANIZATION, TO PROVIDE WITH SUCH INSURANCE AS IS AFFORDED BY THIS POLICY BUT THEY ARE "INSUREDS" ONLY IF AND TO THE MINIMUM EXTENT THAT SUCH CONTRACT OR AGREEMENT REQUIRES THE PERSON OR ORGANIZATION TO BE AFFORDED STATUS AS AN "INSURED".

Attachment Code: D469853
Certificate ID: 12996457

HOWEVER, NO PERSON OR ORGANIZATION IS AN "INSURED" UNDER THIS PROVISION WHO IS MORE SPECIFICALLY DESCRIBED UNDER ANY OTHER PROVISION OF THE WHO IS AN INSURED SECTION OF THIS POLICY (REGARDLESS OF ANY LIMITATION APPLICABLE THERETO).

All other terms and conditions remain unchanged.

Liability Insurance

Endorsement

Policy Period 4/30/2014 to 4/30/2015

Effective Date 4/30/2014

Policy Number : 35894252

Insured : Best Best & Krieger LLP

Name of Company Vigilant Insurance Company

Date Issued 4/30/2014

This Endorsement applies to the following forms:

GENERAL LIABILITY

Under Conditions, the following condition is added:

Conditions *Other insurance* - Primary Additional Insured	If you agree, in a written contract, agreement or permit, to provide primary insurance for any person or organization included in Who Is An Insured, this Other Insurance - Primary Additional Insured condition applies, If other valid and collectible insurance is available to the insured for loss we would otherwise cover under this insurance, our obligations are limited as follows. *Primary Insurance* This insurance is primary. We will not seek contributions from any other insurance available to the person or organization with whom you agree to include in Who Is An Insured, except when the Excess Insurance provision applies. *Excess Insurance* This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis: A. that is Fire, Extended Coverage, Builders Risk, Installation Risk or similar insurance for **your work**;

Attachment Code: D486082
Certificate ID: 12996457

Conditions

Other Insurance Primary Additional Insured (continued)

B. that is insurance that applies to **property damage** to premises rented to you or temporarily occupied by you with permission of the owner;

C. if the loss arises out of aircraft, **autos** or watercraft (to the extent not subject to the Aircraft, Autos Or Watercraft exclusion);

D. that is insurance:

1. provided to you by any person or organization working under contract or agreement for you; or

2. under which you are included as an insured; or

E. that is insurance under any Property section of this policy.

When this insurance is excess, we will have no duty to defend the **insured** against any **suit** if any other insurer has a duty to defend such **insured** against such **suit**, If no other insurer defends, we will undertake to do so, hut we will be entitled to the **insured's** rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of loss, if any, that exceeds the sum of the total:
• amount that all other insurance would pay for loss in the absence of this insurance; and
• of all deductible and self-insured amounts under all other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not negotiated specifically to apply in excess of the Limits Of Insurance shown in the Declarations of this insurance.

Method of Sharing
If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this method each insurer contributes equal amounts until it has paid its applicable limits of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance to the total applicable limits of insurance of all insurers.

All other terms and conditions remain unchanged.

Policy Conditions

Endorsement

Policy Period	4/30/2014 TO 4/30/2015
Effective Date	4/30/2014
Policy Number	35894252
Insured	Best Best & Krieger LLP
Name of Company	*Vigilant Insurance Company*
Date Issued	*4/30/2014*

This Endorsement applies to the following forms:

COMMON POLICY CONDITIONS

Under Conditions, the following condition is added.

Conditions

Notice Of Cancellation To Scheduled Persons Or Organizations When We Cancel

When we cancel this policy for any reason, other than non-payment of premium, we will notify person(s) or organization(s) shown in the Schedule at least 30 days in advance of the cancellation
date.

Any failure by us to notify such person(s) or organization(s) will not:

- impose any liability or obligation of any kind upon us; or
- invalidate such cancellation.

Schedule

Person(s) or Organization(s):

All other terms and conditions remain unchanged.

Attachment Code: D469838
Certificate ID: 12996457

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NOTICE OF CANCELLATION (OTHER THAN NONPAYMENT OF PREMIUM) SCHEDULED PERSON(S) OR ORGANIZATION(S)

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
TRUCKERS COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

SCHEDULE

Name of Person(s) or Organization(s):

Under Common Policy Conditions the following condition is added:

NOTICE OF CANCELLATION (OTHER THAN NONPAYMENT OF PREMIUM) SCHEDULED PERSON(S) OR ORGANIZATION(S)

When we cancel this policy for any reason other than nonpayment of premium, we will notify the person(s) or organization(s) described in the SCHEDULE at least 30 days in advance of the cancellation date.

Any failure by us to notify such person(s) or organization(s) will not:

Impose any liability or obligation of any kind upon us; or
Invalidate such cancellation.

WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY

WC 99 06 44 (Ed 6-11)

NOTICE OF CANCELLATION (OTHER THAN NONPAYMENT OF PREMIUM)- SCHEDULED PERSON(S) OR ORGANIZATION(S)

This endorsement effective on 4/30/2014 at 12:01 A.M. standard time, forms a part of

Policy No: 71750505 of the FEDERAL INSURANCE COMPANY
(NAME OF THE INSURANCE COMPANY)

Issued To: Best Best & Krieger LLP

Under Part Six-Conditions of the policy, the following is added:

Notice of Cancellation (Other than Nonpayment of Premium) - Scheduled Persons(s) or Organization(s)

When we cancel this policy for any reason other than nonpayment of premium, we will notify the person(s) or organization(s) described in the SCHEDULE at least 30 days in advance of the cancellation date.

Any failure by notify such person(s) or organization(s) will not:

Impose any liability or obligation of any kind upon us; or

Invalidate such cancellation

SCHEDULE

Form WC 99 06 44 (eD. 6-11)

Attachment Code: D466351
Certificate ID: 12996457

CERTIFICATE OF INSURANCE

PRODUCER USI Affinity One International Plaza, Suite 400 Philadelphia, PA 19113	**This Certificate is issued as a matter of information only and confers no rights upon the Certificate Holder. This Certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by the policies below. This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the Certificate Holder.**
INSURED Best, Best & Krieger, LLP 3750 University Avenue, Suite 125 Riverside, CA 92501	**COMPANY AFFORDING COVERAGE** Lloyds of London Paragon International Insurance Brokers, Ltd. 140 Leadenhall Street London, England EC3V 4QT

This is to certify that the policy of insurance listed below has been issued to the insured named above for the policy period indicated, notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions and conditions of such policy. Limits shown may have been reduced by paid claims.

TYPE OF INSURANCE

LAWYERS ERRORS AND OMISSIONS INSURANCE

POLICY NUMBER	EFFECTIVE DATE	EXPIRATION DATE
LDUSA1300774	09/01/2013	09/01/2014

LIMITS OF LIABILITY

at least $1,000,000 any one claim and $2,000,000 in the annual aggregate including claims expenses

CERTIFICATE HOLDER City of Costa Mesa 77 Fair Drive Costa Mesa, CA 92626 Attn: City Manager	**CANCELLATION** Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions.

Sharon B. Stoth

Signature of Authorized Representative

May 27, 2014
Date