1 CONTRACT FOR SERVICES 2 34139 3 THIS CONTRACT ("Contract") is entered, in duplicate, as of December 1, 4 2015 for reference purposes only, pursuant to a minute order adopted by the City Council 5 of the City of Long Beach at its meeting on October 13, 2015, by and between EDWARD WHITE & CO., LLP, a California limited liability partnership, Certified Public Accountants, 6 7 whose business address is 21700 Oxnard Street, Suite 400, Woodland Hills, California 8 91367 ("Contractor"), and the CITY OF LONG BEACH, a municipal corporation ("City"). 9 1. RECITALS. This Contract is made with reference to the following

10 || facts and objectives:

A. The City of Long Beach and the State of California ("State") are continuing to inspect the records of certain oil companies with regard to purchases, sales and exchanges, for the purpose of determining whether further compensation for the oil allocated to those companies is due the City and State under provisions of Article 9 of the Contractor's Agreement of the Long Beach Unit, Wilmington Oil Field and Article 7 of the Tract 2 Contractor's Agreement, Wilmington Oil Field.

B. Contractor, a firm of certified public accountants, has extensive experience auditing corporation records, particularly of the type and complexity of the oil companies dealing with the City in the Long Beach Unit of the Wilmington Oil Field, and have reviewed the records of certain oil companies for the City of Long Beach and the State of California during the previous twenty eight (28) years.

C. City desires to employ Contractor to continue to assist the City as directed by the Director of the Gas and Oil Department of the City of Long Beach ("Director") or his designee in reviewing and analyzing certain additional records of the oil companies receiving oil under the Long Beach Unit Contractor's Agreement. City further desires Contractor to prepare certain reports and

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summaries of the Contractor's findings.

D. Contractor is willing to undertake the duties of reviewing and analyzing certain oil company records as directed by the Director or his designee and prepare such reports and records as requested by the Director.

2. <u>SCOPE OF SERVICE</u>. Contractor shall perform the following services:

A. Review and analyze the records of certain oil companies as directed by the Director or his designee for the purpose of determining whether further compensation for oil allocated to those certain companies is due the City and State under the provisions of Article 9 of the Contractor's Agreement, Long Beach Unit, Wilmington Oil Field and Article 7 of the Tract 2 Contractor's Agreement, Wilmington Oil Field. Prepare appropriate summaries and reports with regard to this section as directed by the Director or his designee;

B. Consult with the City, as may be requested by the Director or his designee, on matters regarding money that may be due to the City and State under the Contractor's Agreement or related documents.

<u>TERM</u>. The term of this Contract shall commence December 1,
 2015 and shall terminate on November 30, 2016, unless terminated earlier pursuant to
 Section 7. City has the option to extend the term for two (2) additional one-year periods.

4. <u>COMPENSATION</u>.

A. Contractor shall furnish specialized services more particularly described as above in Section 2, in accordance with the standards of the profession, and City shall pay for these services in an amount not to exceed One Hundred Eighty-Five Thousand Dollars (\$185,000) annually, at the rates or charges shown in Exhibit "A" attached to this Agreement and incorporated by this reference.

B. In addition to said fees, Contractor shall be reimbursed for actual and necessary expenses incurred by Contractor or its employees in

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connection with the services outlined above. The maximum compensation paid to Contractor for services shall not exceed \$185,000 annually for the combined services and fees described above without approval of the City Council, and execution of an amendment to this Contract.

5. <u>BOOKS AND RECORDS</u>. Contractor shall keep an accurate account of time spent by its employees in rendering services pursuant to this Contract, and not later than the 10th day of each month, Contractor shall furnish the City with an itemized statement of time spent during the preceding month by each of its employees. Upon receipt of such statement by the Contractor, payment for services during the preceding month will be paid by City at the rate specified above. Such itemized statement shall also set forth in detail all costs, expenses and disbursements paid or incurred by Contractor during the preceding month in connection with or arising out of the scope of services set forth in this Contract.

6. <u>AUDIT</u>. City or its agent shall have the right at all reasonable times during the term of this Contract and for a period of five (5) years after termination or expiration of this Contract to examine, audit, inspect, review, extract information from and copy all books, records, accounts and other documents of Contractor relating to this Contract. Access to documents shall include but is not limited to: the ability to view all work papers for services outlined in Section 2A, and copy Excel files electronically as well as access to other software used to perform the review.

7. <u>TERMINATION</u>. The City and the Contractor shall each have the
right to terminate this Contract at any time for any or no reason by giving to the other
party thirty (30) days notice. In the event of termination under this Section, City shall pay
Contractor for services satisfactorily performed to the effective date of termination for
which Contractor has not previously been paid.

8. <u>NO CONFLICT OF INTEREST</u>. Contractor agrees that during the
 time services shall be rendered by Contractor to the City under this Contract, Contractor
 does not now and will not in the future represent any other client or perform any other

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1 service which in the considered judgment of the Contractor would create a conflict as 2 between the interests of the City and the interests of the other client or clients.

3 9. NO ASSIGNMENT. This Contract contemplates the personal professional services of Contractor and this Contract or any portion hereof shall not be 4 5 assigned by the Contractor.

6 10. INDEPENDENT CONTRACTOR. In performing services hereunder. 7 Contractor is and shall act as an independent contractor and not an employee. representative, or agent of City. Contractor shall have control of Contractor's work and the manner in which it is performed. Contractor acknowledges and agrees that the City 10 will not withhold taxes of any kind from Contractor's compensation, will not secure workers' compensation or pay unemployment insurance to, for or on Contractor's behalf, 12 and will not provide and Contractor is not entitled to any of the usual and customary rights, benefits or privileges of City employees.

14 11. NO BOND. Contractor shall not be required to post any bond for 15 faithful performance of services to be rendered under this Contract.

12. NONDISCRIMINATION.

Α. In connection with performance of this Contract and subject to applicable rules and regulations, Contractor shall not discriminate against any employee or applicant for employment because of race, religion, national origin, color, age, sex, sexual orientation, gender identity, AIDS, HIV status, handicap or Contractor shall ensure that applicants are employed, and that disability. employees are treated during their employment, without regard to these bases. These 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, including apprenticeship.

Β. It is the policy of City to encourage the participation of Disadvantaged, Minority and Women-Owned Business Enterprises in City's

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procurement process, and Contractor agrees to use its best efforts to carry out this policy in its use of subconsultants and contractors to the fullest extent consistent with the efficient performance of this Contract. Contractor may rely on written representations by subconsultants and contractors regarding their status. Contractor shall report to City in May and in December or, in the case of short-term agreements, prior to invoicing for final payment, the names of all subconsultants and contractors hired by Contractor for this Project and information on whether or not they are a Disadvantaged, Minority or Women-Owned Business Enterprise, as defined in Section 8 of the Small Business Act (15 U.S.C. Sec. 637).

13. <u>NOTICE</u>. All notices hereunder shall be in writing and personally delivered or deposited in the U.S. Postal Service, first class, postage prepaid, addressed to Contractor at the address first stated above, and to the City at 333 West Ocean Boulevard, Long Beach, California 90802 Attn: City Manager. Notice of change of address shall be given in the same manner as stated herein for other notices. Notice shall be deemed given on the date deposited in the mail or on the date personal delivery is made, whichever is earlier.

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14. <u>MISCELLANEOUS</u>.

A. This Contract shall not be amended, nor any provision or breach hereof waived, except in writing signed by the parties which expressly refers to this Contract.

B. This Contract shall be governed by and construed in accordance with the laws of the State of California except those provisions of California law pertaining to conflict of laws.

C. This Contract constitutes the entire understanding between the parties and supersedes all other agreements, oral or written, with respect to the subject matter herein.

D. The acceptance of any services or the payment of any money

OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664 by the City shall not operate as a waiver of any provision of this Contract, or of any right to damages or indemnity stated in this Contract. The waiver of any breach shall not constitute a waiver of any other or subsequent breach.

E. Termination or expiration of this Contract shall not affect rights or liabilities of the parties which accrued prior to termination or expiration.

F. This Contract is intended by the parties to benefit themselves only and is not in any way intended or designed to or entered for the purpose of creating any benefit or right for any person or entity of any kind that is not a party to this Contract.

15. <u>INDEMNITY</u>.

Contractor shall indemnify, protect and hold harmless City, its Α. Boards, Commissions, and their officials, employees and agents ("Indemnified Parties"), from and against any and all liability, claims, demands, damage, loss, obligations, causes of action, proceedings, awards, fines, judgments, penalties, costs and expenses, including attorneys' fees, court costs, expert and witness fees, and other costs and fees of litigation, arising or alleged to have arisen, in whole or in part, out of or in connection with (1) Contractor's breach or failure to comply with any of its obligations contained in this Agreement, including any obligations arising from the Project's compliance with or failure to comply with applicable laws, including all applicable federal and state labor requirements including, without limitation, the requirements of California Labor Code section 1770 et seq. or (2) negligent or willful acts, errors, omissions or misrepresentations committed by Contractor, its officers, employees, agents, subcontractors, or anyone under Contractor's control, in the performance of work or services under this Agreement (collectively "Claims" or individually "Claim").

B. In addition to Contractor's duty to indemnify, Contractor shall have a separate and wholly independent duty to defend Indemnified Parties at Contractor's expense by legal counsel approved by City, from and against all

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Claims, and shall continue this defense until the Claims are resolved, whether by settlement, judgment or otherwise. No finding or judgment of negligence, fault, breach, or the like on the part of Contractor shall be required for the duty to defend to arise. City shall notify Contractor of any Claim, shall tender the defense of the Claim to Contractor, and shall assist Contractor, as may be reasonably requested, in the defense.

C. If a court of competent jurisdiction determines that a Claim was caused by the sole negligence or willful misconduct of Indemnified Parties,
Contractor's costs of defense and indemnity shall be (1) reimbursed in full if the court determines sole negligence by the Indemnified Parties, or (2) reduced by the percentage of willful misconduct attributed by the court to the Indemnified Parties.

D. The provisions of this Section shall survive the expiration or termination of this Agreement.

14 16. <u>INSURANCE</u>. Concurrent with the execution of this Contract by 15 Contractor, and as a condition precedent to the effectiveness of this Contract and in 16 partial performance of the obligations assumed under Section 10 hereof, Contractor shall 17 procure and maintain at Contractor's expense for the duration of this Contract, the 18 following insurance against claims for injuries to persons or damage to property which 19 may arise from or in connection with the performance of this Contract by the Contractor, 20 its agents, representatives, employees or subcontractors.

A. Comprehensive General Liability in an amount not less than Two Million Dollars (\$2,000,000) combined single limit for each occurrence for Four Million Dollars (\$4,000,000) General Aggregate for bodily injury, personal injury and property damage. The City, their officials, employees, agents, and volunteers shall be covered as insureds as respects liability arising out of activities performed by or on behalf of the Contractor and coverage shall be in a form acceptable to the City Risk Manager.

B. Automobile liability in amount not less than Five Hundred Thousand
Dollars (\$500,000) combined single limit per accident for bodily injury and property

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1 damage covering owned, non-owned and hired vehicles.

C. Workers' compensation as required by the Labor Code of the State
of California and Employers' Liability limits of One Million Dollars (\$1,000,000) per
occurrence.

D. Accidental Medical, Death and Dismemberment Insurance for all participants not entitled to workers' compensation benefits under the provisions of Section 3700 of the Labor Code of the State of California, unless this requirement has been waived in writing by the City Risk Manager. Said insurance shall be in amounts not less than One Hundred Thousand Dollars (\$100,000) Accident Medical and Twenty-Five Thousand Dollars (\$25,000) Accidental Death and Dismemberment.

Each insurance policy shall be endorsed to state that coverage shall not be cancelled by either party, reduced in coverage or in limits, except after thirty (30) days prior written notice has been given to the City, and shall be primary and not contributing to any other insurance or self-insurance maintained by the City or Contractor.

Acceptable insurance coverage shall be placed with carriers admitted to write insurance in California, or carriers with a rating of or equivalent to A:VIII by A.M. Best Company and may be subject to such self-insurance or deductible as may be approved by the City Risk Manager. Any subcontractors which Contractor may use in the performance of services under this Contract shall be required to maintain insurance in compliance with the provisions of this Section.

21 Contractor shall furnish the City with certificates of insurance and with 22 original endorsements affecting coverage as required above. The certificates and 23 endorsements for each insurance policy shall be signed by a person authorized by that 24 insurer to bind coverage on its behalf. Policies written on a "claims made" basis shall 25 provide for an extended reporting period of not less than one hundred eighty (180) days. 26 No claims made policies shall be acceptable to City unless the City Manager determines 27 that no occurrence policy is available in the market for the particular risk being insured. 28 Any modification or waiver of the insurance requirements contained in this Contract shall

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only be made with the written approval of the City Risk Manager in accordance with 1 2 established City policy.

3 17. AUTHORIZATION TO EXECUTE. Contractor warrants and affirms 4 to City that any and all persons signing this Contract are authorized and empowered to 5 so sign and signing by such person or persons does bind Contractor to all terms, 6 covenants and conditions of this Contract.

7 18. EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in accordance with the provisions of the Ordinance, this Contract is subject to the applicable 8 provisions of the Equal Benefits Ordinance (EBO), section 2.73 et seq. of the Long Beach 9 10 Municipal Code, as amended from time to time.

> Α. During the performance of this Contract, the Contractor certifies and represents that the Contractor will comply with the EBO. The Contractor agrees to post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

> "During the performance of a contract with the City of Long Beach, the Contractor will provide equal benefits to employees with spouses and its employees with domestic partners. Additional information about the City of Long Beach's Equal Benefits Ordinance may be obtained from the City of Long Beach Business Services Division at 562-570-6200."

Β. The failure of the Contractor to comply with the EBO will be deemed to be a material breach of the Contract by the City.

C. If the Contractor fails to comply with the EBO, the City may cancel, terminate or suspend the Contract, in whole or in part, and monies due or to become due under the Contract may be retained by the City. The City may also pursue any and all other remedies at law or in equity for any breach.

D. Failure to comply with the EBO may be used as evidence against the Contractor in actions taken pursuant to the provisions of Long Beach Municipal Code 2.93 et seq., Contractor Responsibility.

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E. If the City determines that the Contractor has set up or used its contracting entity for the purpose of evading the intent of the EBO, the City may terminate the Contract on behalf of the City. Violation of this provision may be used as evidence against the Contractor in actions taken pursuant to the provisions of Long Beach Municipal Code Section 2.93 et seq., Contractor Responsibility.

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IN WITNESS WHEREOF, the parties have caused this document to be duly executed with all formalities required by law as of the date first stated above.

EDWARD WHITE & CO., LLP, a California

limited liability partnership, Certified Public 10 Accountants 11 WWWWILL. White **December 8** By 2015 OFFICE OF THE CITY ATTORNEY CHARLES PARKIN, City Attorney 333 West Ocean Boulevard, 11th Floor Long Beach, CA 90802-4664 Name Edward L. White 12 Title Senior Partner 13 December 8 2015 Bv 14 Name Lawrence C. Leavitt Title Partner 15 "Contractor" 16 CITY OF LONG BEACH, a municipal 17 Assistant City Manager corporation 18 stant City Manager 2015 Βv 19 City ManagerEXECUTED PURSUANT TO SECTION 301 OF 20 THE CITY CHARTER. "City" 21 22 December This Agreement is approved as to form on 2015. 23 CHARLES PARKIN, City Attorney 24 25 By Deputy 26 27 28 10 RFA:ba A15-02199 L:\Apps\CtyLaw32\WPDocs\D016\P026\00577353.DOC

EXHIBIT "A"

Rates/Fees

Senior Partner	\$475.00 - 535.00
Consulting Director	\$375.00 - 435.00
Partner	\$375.00 - 435.00
Manager	\$250.00 - 315.00
Supervisor	\$160.00 - 245.00
Professional Staff	\$115.00- 150.00
Paraprofessional Staff	\$55.00 - 105.00