

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

AGREEMENT

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THIS AGREEMENT is made and entered, in duplicate, as of May 2, 2022, for reference purposes only, pursuant to a minute order adopted by the City Council of the City of Long Beach at its meeting on August 24, 2021, by and between PFM FINANCIAL ADVISORS LLC, a Delaware limited liability company ("Consultant"), with a place of business at 1735 Market Street, 42nd Floor, Philadelphia, Pennsylvania 19103, and the CITY OF LONG BEACH, a municipal corporation ("City").

WHEREAS, City requires specialized services requiring unique skills to be performed in connection with municipal advisory services ("Project"); and

WHEREAS, City has selected Consultant in accordance with City's administrative procedures and City has determined that Consultant and its employees are qualified, licensed, if so required, and experienced in performing these specialized services; and

WHEREAS, City desires to have Consultant perform these specialized services, and Consultant is willing and able to do so on the terms and conditions in this Agreement;

NOW, THEREFORE, in consideration of the mutual terms, covenants, and conditions in this Agreement, the parties agree as follows:

1. SCOPE OF WORK OR SERVICES.

A. Consultant shall furnish specialized services more particularly described in Exhibit "A", attached to this Agreement and incorporated by this reference, in accordance with the standards of the profession, and City shall pay for these services in the manner described below, in an amount not to exceed Two Hundred Thousand Dollars (\$200,000), at the rates or charges shown in Exhibit "B". Upon the request of City, an affiliate of Consultant or a third party referred or otherwise introduced by Consultant may agree to additional services to be provided by such affiliate or third party, by a separate writing, including separate scope and

1 compensation, between City and such affiliate or third party.

2 B. The City's obligation to pay the sum stated above for any one
3 fiscal year shall be contingent upon the City Council of the City appropriating the
4 necessary funds for such payment by the City in each fiscal year during the term of
5 this Agreement. For the purposes of this Section, a fiscal year commences on
6 October 1 of the year and continues through September 30 of the following year. In
7 the event that the City Council of the City fails to appropriate the necessary funds
8 for any fiscal year, then, and in that event, the Agreement will terminate at no
9 additional cost or obligation to the City.

10 C. Consultant may select the time and place of performance for
11 these services; provided, however, that access to City documents, records and the
12 like, if needed by Consultant, shall be available only during City's normal business
13 hours and provided that milestones for performance, if any, are met.

14 D. Consultant has requested to receive regular payments. City
15 shall pay Consultant in due course of payments following receipt from Consultant
16 and approval by City of invoices showing the services or task performed, the time
17 expended (if billing is hourly), and the name of the Project. Consultant shall certify
18 on the invoices that Consultant has performed the services in full conformance with
19 this Agreement and is entitled to receive payment. Each invoice shall be
20 accompanied by a progress report indicating the progress to date of services
21 performed and covered by the invoice, including a brief statement of any Project
22 problems and potential causes of delay in performance, and listing those services
23 that are projected for performance by Consultant during the next invoice cycle.
24 Where billing is done and payment is made on an hourly basis, the parties
25 acknowledge that this arrangement is either customary practice for Consultant's
26 profession, industry or business, or is necessary to satisfy audit and legal
27 requirements which may arise due to the fact that City is a municipality.

28 E. Consultant represents that Consultant has obtained all

1 necessary information on conditions and circumstances that may affect its
2 performance and has conducted site visits, if necessary.

3 F. CAUTION: Consultant shall not begin work until this
4 Agreement has been signed by both parties and until Consultant's evidence of
5 insurance has been delivered to and approved by City.

6 2. TERM. The term of this Agreement shall commence at midnight on
7 June 1, 2022, and shall terminate at 11:59 p.m. on May 31, 2027, unless sooner terminated
8 as provided in this Agreement, or unless the services or the Project is completed sooner.
9 The term may be extended for two (2) additional on-year periods, at the discretion of the
10 City Manager.

11 3. COORDINATION AND ORGANIZATION.

12 A. Consultant shall coordinate its performance with City's
13 representative, if any, named in Exhibit "C", attached to this Agreement and
14 incorporated by this reference. Consultant shall advise and inform City's
15 representative of the work in progress on the Project in sufficient detail so as to
16 assist City's representative in making presentations and in holding meetings on the
17 Project. City shall furnish to Consultant information or materials, if any, described
18 in Exhibit "D", attached to this Agreement and incorporated by this reference, and
19 shall perform any other tasks described in the Exhibit.

20 B. The parties acknowledge that a substantial inducement to City
21 for entering this Agreement was and is the reputation and skill of Consultant's key
22 employee, named in Exhibit "E" attached to this Agreement and incorporated by this
23 reference. City shall have the right to approve any person proposed by Consultant
24 to replace that key employee.

25 4. INDEPENDENT CONTRACTOR. In performing its services,
26 Consultant is and shall act as an independent contractor and not an employee,
27 representative or agent of City. Consultant shall have control of Consultant's work and the
28 manner in which it is performed. Consultant shall be free to contract for similar services to

1 be performed for others during this Agreement; provided, however, that Consultant acts in
2 accordance with Section 9 and Section 11 of this Agreement. Consultant acknowledges
3 and agrees that (a) City will not withhold taxes of any kind from Consultant's compensation;
4 (b) City will not secure workers' compensation or pay unemployment insurance to, for or
5 on Consultant's behalf; and (c) City will not provide and Consultant is not entitled to any of
6 the usual and customary rights, benefits or privileges of City employees. Consultant
7 expressly warrants that neither Consultant nor any of Consultant's employees or agents
8 shall represent themselves to be employees or agents of City.

9 5. INSURANCE.

10 A. As a condition precedent to the effectiveness of this
11 Agreement, Consultant shall procure and maintain, at Consultant's expense for the
12 duration of this Agreement, from insurance companies that are admitted to write
13 insurance in California and have ratings of or equivalent to A:V by A.M. Best
14 Company or from authorized non-admitted insurance companies subject to Section
15 1763 of the California Insurance Code and that have ratings of or equivalent to A:VIII
16 by A.M. Best Company, the following insurance:

17 i. Commercial general liability insurance (equivalent in
18 scope to ISO form CG 00 01 11 85 or CG 00 01 10 93) in an amount not less
19 than One Million Dollars (\$1,000,000.00) per each occurrence and Two
20 Million Dollars (\$2,000,000.00) general aggregate. This coverage shall
21 include but not be limited to broad form contractual liability, cross liability,
22 independent contractors liability, and products and completed operations
23 liability. City, its boards and commissions, and their officials, employees and
24 agents shall be named as additional insureds by endorsement (on City's
25 endorsement form or on an endorsement equivalent in scope to ISO form CG
26 20 10 11 85 or CG 20 26 11 85 or both CG 20 10 07 04 and CG 20 37 07 04
27 or both CG 20 33 07 04 and CG 20 37 07 04), and this insurance shall contain
28 no special limitations on the scope of protection given to City, its boards and

1 commissions, and their officials, employees and agents. This policy shall be
2 endorsed to state that the insurer waives its right of subrogation against City,
3 its boards and commissions, and their officials, employees and agents.

4 ii. Workers' Compensation insurance as required by the
5 California Labor Code and employer's liability insurance in an amount not
6 less than One Million Dollars (\$1,000,000.00). This policy shall be endorsed
7 to state that the insurer waives its right of subrogation against City, its boards
8 and commissions, and their officials, employees and agents.

9 iii. Investment Advisors E&O/Professional liability
10 insurance in an amount not less than Five Million Dollars (\$5,000,000.00) per
11 claim. Such insurance shall include, but not be limited to, coverage for social
12 engineering, theft by hacker incidents, and employee theft.

13 iv. Commercial automobile liability insurance (equivalent in
14 scope to ISO form CA 00 01 06 92), covering Auto Symbol 8 (hired) and
15 Symbol ((non-owned) in an amount not less than Five Hundred Thousand
16 Dollars (\$500,000.00) combined single limit per accident.

17 B. Any self-insurance program, self-insured retention, or
18 deductible must be separately approved in writing by City's Risk Manager or
19 designee and shall protect City, its officials, employees and agents in the same
20 manner and to the same extent as they would have been protected had the policy
21 or policies not contained retention or deductible provisions.

22 C. Each insurance policy, except for Professional Liability, shall be
23 endorsed to state that coverage shall not be reduced, non-renewed or canceled
24 except after thirty (30) days prior written notice to City, shall be primary and not
25 contributing to any other insurance or self-insurance maintained by City, and shall
26 be endorsed to state that coverage maintained by City shall be excess to and shall
27 not contribute to insurance or self-insurance maintained by Consultant. Consultant
28 shall notify City in writing within five (5) days after any insurance has been voided

1 by the insurer or cancelled by the insured. In case of reduction in coverage, material
2 changes, or cancellation, Consultant shall also provide thirty (30) days prior of
3 written notice to City.

4 D. If a coverage is written on a "claims made" basis, it must
5 provide for an extended reporting period of not less than three (3) years,
6 commencing on the date this Agreement expires or is terminated.

7 E. Consultant shall require that all subconsultants or contractors
8 that Consultant uses in the performance of these services maintain insurance in
9 compliance with this Section unless otherwise agreed in writing by City's Risk
10 Manager or designee.

11 F. Prior to the start of performance, Consultant shall deliver to City
12 certificates of insurance and the endorsements for approval as to sufficiency and
13 form. In addition, Consultant shall, within thirty (30) days prior to expiration of the
14 insurance, furnish to City certificates of insurance and endorsements evidencing
15 renewal of the insurance. City reserves the right to require complete certified copies
16 of all policies of Consultant and Consultant's subconsultants and contractors, at any
17 time. Consultant shall make available to City's Risk Manager or designee all books,
18 records and other information relating to this insurance, during normal business
19 hours.

20 G. Any modification or waiver of these insurance requirements
21 shall only be made at the time of renewal or amendment with the approval of City's
22 Risk Manager or designee. Not more frequently than once a year, City's Risk
23 Manager or designee may require that Consultant, Consultant's subconsultants and
24 contractors change the amount, scope or types of coverages required in this Section
25 if, in his or her sole opinion, the amount, scope or types of coverages are not
26 adequate.

27 H. The procuring or existence of insurance shall not be construed
28 or deemed as a limitation on liability relating to Consultant's performance or as full

1 performance of or compliance with the indemnification provisions of this Agreement.

2 6. ASSIGNMENT AND SUBCONTRACTING. This Agreement
3 contemplates the personal services of Consultant and Consultant's employees, and the
4 parties acknowledge that a substantial inducement to City for entering this Agreement was
5 and is the professional reputation and competence of Consultant and Consultant's
6 employees. Consultant shall not assign its rights or delegate its duties under this
7 Agreement, or any interest in this Agreement, or any portion of it, without the prior approval
8 of City, except that Consultant may with the prior approval of the City Manager of City,
9 assign any moneys due or to become due Consultant under this Agreement. Any
10 attempted assignment or delegation shall be void, and any assignee or delegate shall
11 acquire no right or interest by reason of an attempted assignment or delegation.
12 Furthermore, Consultant shall not subcontract any portion of its performance without the
13 prior approval of the City Manager or designee, or substitute an approved subconsultant
14 or contractor without approval prior to the substitution. Nothing stated in this Section shall
15 prevent Consultant from employing as many employees as Consultant deems necessary
16 for performance of this Agreement.

17 7. CONFLICT OF INTEREST. Consultant, by executing this Agreement,
18 certifies that, at the time Consultant executes this Agreement and for its duration,
19 Consultant does not and will not perform services for any other client which would create
20 a conflict, whether monetary or otherwise, as between the interests of City and the interests
21 of that other client. Consultant further certifies that Consultant does not now have and shall
22 not acquire any interest, direct or indirect, in the area covered by this Agreement or any
23 other source of income, interest in real property or investment which would be affected in
24 any manner or degree by the performance of Consultant's services hereunder. And,
25 Consultant shall obtain similar certifications from Consultant's employees, subconsultants
26 and contractors.

27 8. MATERIALS. Consultant shall furnish all labor and supervision,
28 supplies, materials, tools, machinery, equipment, appliances, transportation and services

1 necessary to or used in the performance of Consultant's obligations under this Agreement,
2 except as stated in Exhibit "D".

3 9. OWNERSHIP OF DATA. All materials, information and data
4 prepared, developed or assembled by Consultant or furnished to Consultant in connection
5 with this Agreement, including but not limited to documents, estimates, calculations,
6 studies, maps, graphs, charts, computer disks, computer source documentation, samples,
7 models, reports, summaries, drawings, designs, notes, plans, information, material and
8 memorandum ("Data") shall be the exclusive property of City. Data shall be given to City,
9 in a format identified by City, and City shall have the unrestricted right to use and disclose
10 the Data in any manner and for any purpose without payment of further compensation to
11 Consultant. Copies of Data may be retained by Consultant but Consultant warrants that
12 Data shall not be made available to any person or entity for use without the prior approval
13 of City. This warranty shall survive termination of this Agreement for five (5) years.

14 10. TERMINATION. Either party shall have the right to terminate this
15 Agreement for any reason or no reason at any time by giving fifteen (15) calendar days
16 prior written notice to the other party. In the event of termination under this Section, City
17 shall pay Consultant for services satisfactorily performed and costs incurred up to the
18 effective date of termination for which Consultant has not been previously paid. The
19 procedures for payment in Section 1.B. with regard to invoices shall apply. On the effective
20 date of termination, Consultant shall deliver to City all Data developed or accumulated in
21 the performance of this Agreement, whether in draft or final form, or in process. And,
22 Consultant acknowledges and agrees that City's obligation to make final payment is
23 conditioned on Consultant's delivery of the Data to City.

24 11. CONFIDENTIALITY. Consultant shall keep all Data confidential and
25 shall not disclose the Data or use the Data directly or indirectly, other than in the course of
26 performing its services, during the term of this Agreement and for five (5) years following
27 expiration or termination of this Agreement. In addition, Consultant shall keep confidential
28 all information, whether written, oral or visual, obtained by any means whatsoever in the

1 course of performing its services for the same period of time. Consultant shall not disclose
2 any or all of the Data to any third party, unless disclosure is required by law or judicial or
3 regulatory process, or use it for Consultant's own benefit or the benefit of others except for
4 the purpose of this Agreement.

5 12. BREACH OF CONFIDENTIALITY. Consultant shall not be liable for
6 a breach of confidentiality with respect to Data that: (a) Consultant demonstrates
7 Consultant knew prior to the time City disclosed it; or (b) is or becomes publicly available
8 without breach of this Agreement by Consultant; or (c) a third party who has a right to
9 disclose does so to Consultant without restrictions on further disclosure; or (d) must be
10 disclosed pursuant to subpoena or court order.

11 13. ADDITIONAL COSTS AND REDESIGN.

12 A. Any costs incurred by City due to Consultant's failure to meet
13 the standards required by the scope of work or Consultant's failure to perform fully
14 the tasks described in the scope of work which, in either case, causes City to request
15 that Consultant perform again all or part of the Scope of Work shall be at the sole
16 cost of Consultant and City shall not pay any additional compensation to Consultant
17 for its re-performance.

18 B. If the Project involves construction and the scope of work
19 requires Consultant to prepare plans and specifications with an estimate of the cost
20 of construction, then Consultant may be required to modify the plans and
21 specifications, any construction documents relating to the plans and specifications,
22 and Consultant's estimate, at no cost to City, when the lowest bid for construction
23 received by City exceeds by more than ten percent (10%) Consultant's estimate.
24 This modification shall be submitted in a timely fashion to allow City to receive new
25 bids within four (4) months after the date on which the original plans and
26 specifications were submitted by Consultant.

27 14. AMENDMENT. This Agreement, including all Exhibits, shall not be
28 amended, nor any provision or breach waived, except in writing signed by the parties which

1 expressly refers to this Agreement.

2 15. LAW. This Agreement shall be construed in accordance with the laws
3 of the State of California, and the venue for any legal actions brought by any party with
4 respect to this Agreement shall be the County of Los Angeles, State of California for state
5 actions and the Central District of California for any federal actions. Consultant shall cause
6 all work performed in connection with construction of the Project to be performed in
7 compliance with (1) all applicable laws, ordinances, rules and regulations of federal, state,
8 county or municipal governments or agencies (including, without limitation, all applicable
9 federal and state labor standards, including the prevailing wage provisions of sections 1770
10 *et seq.* of the California Labor Code); and (2) all directions, rules and regulations of any fire
11 marshal, health officer, building inspector, or other officer of every governmental agency
12 now having or hereafter acquiring jurisdiction.

13 16. PREVAILING WAGES.

14 A. Consultant agrees that all public work (as defined in California
15 Labor Code section 1720) performed pursuant to this Agreement (the "Public
16 Work"), if any, shall comply with the requirements of California Labor Code sections
17 1770 *et seq.* City makes no representation or statement that the Project, or any
18 portion thereof, is or is not a "public work" as defined in California Labor Code
19 section 1720.

20 B. In all bid specifications, contracts and subcontracts for any
21 such Public Work, Consultant shall obtain the general prevailing rate of per diem
22 wages and the general prevailing rate for holiday and overtime work in this locality
23 for each craft, classification or type of worker needed to perform the Public Work,
24 and shall include such rates in the bid specifications, contract or subcontract. Such
25 bid specifications, contract or subcontract must contain the following provision: "It
26 shall be mandatory for the contractor to pay not less than the said prevailing rate of
27 wages to all workers employed by the contractor in the execution of this contract.

28 The contractor expressly agrees to comply with the penalty provisions of California

1 Labor Code section 1775 and the payroll record keeping requirements of California
2 Labor Code section 1771.”

3 17. ENTIRE AGREEMENT. This Agreement, including all Exhibits,
4 constitutes the entire understanding between the parties and supersedes all other
5 agreements, oral or written, with respect to the subject matter in this Agreement. For the
6 sake of clarity, any separate agreement between City and an affiliate of Consultant or any
7 third party referred or introduced by Consultant shall not in any way be deemed an
8 amendment or modification of this Agreement.

9 18. INDEMNITY.

10 A. Consultant shall indemnify, protect and hold harmless City, its
11 Boards, Commissions, and their officials, employees and agents (“Indemnified
12 Parties”), from and against any and all liability, claims, demands, damage, loss,
13 obligations, causes of action, proceedings, awards, fines, judgments, penalties,
14 costs and expenses, arising or alleged to have arisen, in whole or in part, out of or
15 in connection with (1) Consultant’s breach or failure to comply with any of its
16 obligations contained in this Agreement, including any obligations arising from the
17 Project’s compliance with or failure to comply with applicable laws, including all
18 applicable federal and state labor requirements including, without limitation, the
19 requirements of California Labor Code section 1770 *et seq.* or (2) negligent or
20 intentionally wrongful acts, errors, omissions or misrepresentations committed by
21 Consultant, its officers, employees, agents, subcontractors, or anyone under
22 Consultant’s control, in the performance of work or services under this Agreement
23 (collectively “Claims” or individually “Claim”).

24 B. In addition to Consultant’s duty to indemnify, Consultant shall
25 have a separate and wholly independent duty to defend Indemnified Parties at
26 Consultant’s expense by legal counsel approved by City, from and against all
27 Claims, and shall continue this defense until the Claims are resolved, whether by
28 settlement, judgment or otherwise. No finding or judgment of negligence, fault,

1 breach, or the like on the part of Consultant shall be required for the duty to defend
2 to arise. City shall notify Consultant of any Claim, shall tender the defense of the
3 Claim to Consultant, and shall assist Consultant, as may be reasonably requested,
4 in the defense.

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

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

12 19. AMBIGUITY. In the event of any conflict or ambiguity between this
13 Agreement and any Exhibit, the provisions of this Agreement shall govern.

14 20. FORCE MAJEURE. Other than payment obligations, if any party fails
15 to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of
16 God, inability to obtain labor or materials or reasonable substitutes for labor materials,
17 governmental restrictions, governmental regulations, governmental controls, judicial
18 orders, enemy or hostile governmental action, pandemic, civil commotion, fire or other
19 casualty, or other causes beyond the reasonable control of the party obligated to perform,
20 then that party's performance will be excused for a period equal to the period of such cause
21 for failure to perform.

22 21. FIDUCIARY DUTY. It is acknowledged that the Consultant shall have
23 a fiduciary responsibility for the safekeeping and use of all funds and assets of the City,
24 whether or not in the Consultant's immediate possession or control. The Consultant shall
25 not employ, or permit another to employ, such funds or assets in any manner except for
26 the exclusive benefit of the City. The Consultant shall not, by entry into an agreement with
27 any individual or entity otherwise, contract away the fiduciary obligation owed to the City
28 under common law.

1 22. NONDISCRIMINATION.

2 A. In connection with performance of this Agreement and subject
3 to applicable rules and regulations, Consultant shall not discriminate against any
4 employee or applicant for employment because of race, religion, national origin,
5 color, age, sex, sexual orientation, gender identity, AIDS, HIV status, handicap or
6 disability. Consultant shall ensure that applicants are employed, and that
7 employees are treated during their employment, without regard to these bases.
8 These actions shall include, but not be limited to, the following: employment,
9 upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or
10 termination; rates of pay or other forms of compensation; and selection for training,
11 including apprenticeship.

12 B. It is the policy of City to encourage the participation of
13 Disadvantaged, Minority and Women-Owned Business Enterprises in City's
14 procurement process, and Consultant agrees to use its best efforts to carry out this
15 policy in its use of subconsultants and contractors to the fullest extent consistent
16 with the efficient performance of this Agreement. Consultant may rely on written
17 representations by subconsultants and contractors regarding their status.
18 Consultant shall report to City in May and in December or, in the case of short-term
19 agreements, prior to invoicing for final payment, the names of all subconsultants
20 and contractors hired by Consultant for this Project and information on whether or
21 not they are a Disadvantaged, Minority or Women-Owned Business Enterprise, as
22 defined in Section 8 of the Small Business Act (15 U.S.C. Sec. 637).

23 23. EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in
24 accordance with the provisions of the Ordinance, this Agreement is subject to the
25 applicable provisions of the Equal Benefits Ordinance (EBO), section 2.73 et seq. of the
26 Long Beach Municipal Code, as amended from time to time.

27 A. During the performance of this Agreement, the Consultant
28 certifies and represents that the Consultant will comply with the EBO. The

1 Consultant agrees to post the following statement in conspicuous places at its place
2 of business available to employees and applicants for employment:

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

8 B. The failure of the Consultant to comply with the EBO will be
9 deemed to be a material breach of the Agreement by the City.

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

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

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

22 24. NOTICES. Any notice or approval required by this Agreement shall
23 be in writing and personally delivered or deposited in the U.S. Postal Service, first class,
24 postage prepaid, addressed to Consultant at the address first stated above, and to City at
25 411 West Ocean Boulevard, Long Beach, California 90802, Attn: City Manager, with a copy
26 to the City Engineer at the same address. Notice of change of address shall be given in
27 the same manner as stated for other notices. Notice shall be deemed given on the date
28 deposited in the mail or on the date personal delivery is made, whichever occurs first.

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25. COPYRIGHTS AND PATENT RIGHTS.

A. Consultant shall place the following copyright protection on all Data: © City of Long Beach, California _____, inserting the appropriate year.

B. City reserves the exclusive right to seek and obtain a patent or copyright registration on any Data or other result arising from Consultant's performance of this Agreement. By executing this Agreement, Consultant assigns any ownership interest Consultant may have in the Data to City.

C. Consultant warrants that the Data does not violate or infringe any patent, copyright, trade secret or other proprietary right of any other party. Consultant agrees to and shall protect, defend, indemnify and hold City, its officials and employees harmless from any and all claims, demands, damages, loss, liability, causes of action, costs or expenses (including reasonable attorney's fees) whether or not reduced to judgment, arising from any breach or alleged breach of this warranty.

26. COVENANT AGAINST CONTINGENT FEES. Consultant warrants

that Consultant has not employed or retained any entity or person to solicit or obtain this Agreement and that Consultant has not paid or agreed to pay any entity or person any fee, commission or other monies based on or from the award of this Agreement. If Consultant breaches this warranty, City shall have the right to terminate this Agreement immediately notwithstanding the provisions of Section 10 or, in its discretion, to deduct from payments due under this Agreement or otherwise recover the full amount of the fee, commission or other monies.

27. WAIVER. The acceptance of any services or the payment of any

money by City shall not operate as a waiver of any provision of this Agreement or of any right to damages or indemnity stated in this Agreement. The waiver of any breach of this Agreement shall not constitute a waiver of any other or subsequent breach of this Agreement.

28. CONTINUATION. Termination or expiration of this Agreement shall

1 not affect rights or liabilities of the parties which accrued pursuant to the Sections titled
2 "Ownership of Data", "Confidentiality", "Breach of Confidentiality", "Law", "Indemnity", and
3 "Audit" prior to termination or expiration of this Agreement.

4 29. TAX REPORTING. As required by federal and state law, City is
5 obligated to and will report the payment of compensation to Consultant on Form 1099-
6 Misc. Consultant shall be solely responsible for payment of all federal and state taxes
7 resulting from payments under this Agreement. Consultant shall submit Consultant's
8 Employer Identification Number (EIN), or Consultant's Social Security Number if
9 Consultant does not have an EIN, in writing to City's Accounts Payable, Department of
10 Financial Management. Consultant acknowledges and agrees that City has no obligation
11 to pay Consultant until Consultant provides one of these numbers.

12 30. ADVERTISING. Consultant shall not use the name of City, its officials
13 or employees in any advertising or solicitation for business or as a reference, without the
14 prior approval of the City Manager or designee.

15 31. AUDIT. City shall have the right at all reasonable times during the
16 term of this Agreement and for a period of five (5) years after termination or expiration of
17 this Agreement to examine, audit, inspect, review, extract information from and copy all
18 books, records, accounts and other documents of Consultant relating to this Agreement.

19 32. THIRD PARTY BENEFICIARY. This Agreement is not intended or
20 designed to or entered for the purpose of creating any benefit or right for any person or
21 entity of any kind that is not a party to this Agreement.

22 33. REGISTERED MUNICIPAL ADVISOR; REQUIRED DISCLOSURES.
23 Consultant is a registered municipal advisor with the Securities and Exchange Commission
24 (the "SEC") and the Municipal Securities Rulemaking Board (the "MSRB"), pursuant to the
25 Securities Exchange Act of 1934 Rule 15Ba1-2. If City has designated Consultant as its
26 independent registered municipal advisor ("IRMA") for purposes of SEC Rule 15Ba1-
27 1(d)(3)(vi) (the "IRMA exemption"), then services provided pursuant to such designation
28 shall be the services described in Exhibit "A" hereto, subject to any agreed upon limitations.

1 Verification of independence (as is required under the IRMA exemption) shall be the
2 responsibility of such third party seeking to rely on such IRMA exemption. Consultant shall
3 have the right to review and approve in advance any representation of Consultant's role as
4 IRMA to City.

5 MSRB Rules require that municipal advisors make written disclosures to their
6 clients of all material conflicts of interest, certain legal or disciplinary events and certain
7 regulatory requirements. Such disclosures are provided in Consultant's Disclosure
8 Statement delivered to City prior to or together with this Agreement.

9 34. INFORMATION TO BE FURNISHED TO CONSULTANT. All
10 information, data, reports, and records in the possession of City or any third party
11 necessary for carrying out any services to be performed under this Agreement
12 ("Information") shall be furnished to Consultant. Consultant may rely on the Information in
13 connection with its provision of the services under this Agreement and the provider thereof
14 shall remain solely responsible for the adequacy, accuracy and completeness of such
15 Information.

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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.

PFM FINANCIAL ADVISORS LLC, a Delaware limited liability company

October 5, 2022

By [Signature]
Name Michael Berwanger
Title Managing Director

_____, 2022

By _____
Name _____
Title _____

"Consultant"

CITY OF LONG BEACH, a municipal corporation

October 18, 2022

By Linda J. Jatum
City Manager

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.

This Agreement is approved as to form on 10-11, 2022.

CHARLES PARKIN, City Attorney

By [Signature]
Deputy

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Long Beach, CA 90802-4664

EXHIBIT “A”

Scope of Work



City of Long Beach
Purchasing Division
411 West Ocean Boulevard, 6th Floor
Long Beach, CA 90802

3. SCOPE OF SERVICES

Municipal advisors will be expected to provide municipal advisory services to the City with respect to various credits, including Airport, CFDs, Gas & Oil, General Fund, Harbor, Lease Revenue, Water, Sewer, Successor Agency to the Long Beach Redevelopment Agency, and Tidelands. Specifically, the selected municipal advisors will be required to undertake the following, but not limited to:

- 3.1 Provide special projects, studies, and reports related to the City's debt management program.
- 3.2 Conduct financial analyses including but not limited to; new money and refunding opportunities, debt capacity, debt service coverages, debt service reserves, etc.
- 3.3 Manage financings, including financing schedules, submissions, approvals, and reporting.
- 3.4 Write, issue, and evaluate RFPs for underwriters and/or consultant services.
- 3.5 Prepare presentations for credit rating agencies, credit enhancement providers, and potential investors.
- 3.6 Provide market data, including the interest rate and pricing comparables.
- 3.7 Evaluate and validate unsolicited financing proposals.
- 3.8 Educate City staff and elected officials on new financial products or current issues in the municipal bond market, including market and regulatory developments.
- 3.9 Assist City staff in negotiations, outreach, and communications with City stakeholders.
- 3.10 Attend public or City staff meetings. Prepare or assist in the preparation of reports outlining recommendations to the City. Make presentations to the City Council, community, or public groups.
- 3.11 Advise on the method of sale, structures, and feasibility of issuing debt for projects under consideration. Develop debt strategies and recommend financing mechanisms that would allow the City to undertake future financings in a manner that most efficiently meets the City's goals and strategic objectives.
- 3.12 Develop financing plans with City staff, bond counsel, and other members of the financing team that are consistent with the needs of the financing projects. Recommend financing structures to include specific terms such as call provisions, escrow features, and prepare estimated debt service schedules. Outline the advantages and disadvantages of financing mechanisms.
- 3.13 Coordinate the printing and distribution of the official statement to be used in connection with the offering of the bonds with disclosure counsel.
- 3.14 Coordinate the work of the financing participants, City staff, and bond counsel to ensure that the financing closes. Coordinate the delivery, printing, final approval of legal documents, and the preparation of closing documents.



City of Long Beach
Purchasing Division
411 West Ocean Boulevard, 6th Floor
Long Beach, CA 90802

- 3.15 Assist in planning for the investment of transaction-related and trustee-held funds. Assist the City in bidding for investment contracts, as may be directed by the City Treasurer.
- 3.16 Prepare final pricing books, including executive summaries, market conditions and comparables, orders, allotments, and sale results.
- 3.17 Coordinate the procurement and negotiation process to obtain new or renew existing credit facilities for the City.

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EXHIBIT “B”

Rates or Charges

City of Long Beach

Request for Proposals for Municipal Advisory Services

RFP # FM21-070

Table of Contents

I. Cost Proposal 2

PFM Financial
Advisors LLC

601 S. Figueroa Street
Suite 4500
Los Angeles, CA 90017

213.489.4075
pfm.com

ABOUT PFM

PFM is the marketing name for a group of affiliated companies providing a range of services. All services are provided through separate agreements with each company. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation.

Financial advisory services are provided by PFM Financial Advisors LLC and Public Financial Management, Inc. Both are registered municipal advisors with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) under the Dodd-Frank Act of 2010. Investment advisory services are provided by PFM Asset Management LLC which is registered with the SEC under the Investment Advisers Act of 1940. Swap advisory services are provided by PFM Swap Advisors LLC which is registered as a municipal advisor with both the MSRB and SEC under the Dodd-Frank Act of 2010, and as a commodity trading advisor with the Commodity Futures Trading Commission. Additional applicable regulatory information is available upon request.

Consulting services are provided through PFM Group Consulting LLC. Institutional purchasing card services are provided through PFM Financial Services LLC. PFM's financial modelling platform for strategic forecasting is provided through PFM Solutions LLC.

For more information regarding PFM's services or entities, please visit www.pfm.com.



I. Cost Proposal

PFM proposes to provide the City of Long Beach with the most comprehensive financial advisory services available as its “IRMA”, and PFM will guarantee the availability of our core advisory team for the City. PFM will also make available professionals from our broader California team, as well as other specialist areas (Structured Products, etc.) as needed for additional support.

Ongoing/Non-Transaction/Special Projects

For scope of services relating to serving as IRMA and ongoing debt management not specific to a bond transaction, PFM proposes to charge time at the hourly rates reflected here.

PFM HOURLY RATES	
Managing Director	\$ 350
Director	\$ 325
Senior Managing Consultant	\$ 300
Senior Analyst	\$ 250
Analyst	\$ 225

For special projects and advisory work not related to a transaction, such as the development of a financial model, a specific reserve or financial planning study or project negotiations/development work, PFM proposes that the City and PFM would draft and agree to a scope of the requested service including a fixed fee or hourly with not to exceed cap arrangement based on the specific scope of the task and estimated time/complexity. Under no circumstances would PFM assess hourly fees without receipt of a notice to proceed from the City.

Bond Transaction Fees

All work pertaining to the issuance of bonds will be covered by the fee schedules below. All transaction fees are contingent upon the successful completion of the sale of bonds. The transaction size ranges represent the total amount under a single official statement regardless of number of series. This fee covers and is not limited to the planning work execution of the transaction and follow-on transaction related post-closing work related to the transaction. This fee also covers the incidental questions and requests which may or may not be related to a transaction and which may occur from time to time.

General Fund Debt

Transaction Size	General Fund (Lease Revenue/COPs)
<\$25 million	\$40,000
\$25 million - \$50 million	\$50,000
>\$50 million	\$55,000

Harbor/Airport Debt

Transaction Size	Harbor Revenue	Airport Revenue
<\$25 million	\$55,000	\$55,000
\$25 million - \$100 million	\$75,000	\$75,000
>\$100 million	\$95,000	\$95,000

Utility Debt

Transaction Size	Water	Sewer
<\$25 million	\$40,000	\$40,000
\$25 million - \$100 million	\$50,000	\$50,000
>\$100 million	\$55,000	\$55,000



Other Debt

Transaction Size	Tidelands Revenue	Tax Allocation Revenue
<\$25 million	\$55,000	\$55,000
\$25 million - \$100 million	\$65,000	\$65,000
>\$100 million	\$75,000	\$75,000

For more complicated transactions such as new credits or prepayment transactions, PFM would like to negotiate appropriate deal fees with the City outside of this fee schedule that appropriately reflect the added work and expertise required.

Structured Product Advisory Services

At the direction of the City, PFM could provide requisite investment advisory services (including escrow structuring and procurement, bond proceeds reinvestments, and arbitrage rebate). Those services would be provided under separate engagements and compensation arrangements directly through PFM Asset Management LLC (PFMAM). For the structuring and bidding of investment agreements, PFM Asset Management LLC would negotiate fixed fees with the City based on the complexity of the investment agreements being procured.

Specific to assistance in planning for the investment of transaction related and trustee held funds, PFM will assist and provide a general level of advice as it pertains to its transaction work which would be covered by our transaction fees. However, if we are asked to more specifically assist with bidding or run bidding activities we are required by the SEC as a registered investment advisor to have PFMAM do such work and follow the fee negotiation process as detailed above. We are happy to discuss this in greater detail so the City understands the regulatory limitations placed on PFM and PFMAM in this regard.

Expenses

In addition to professional fees, we request that we be reimbursed for all out-of-pocket expenses on an actual cost basis subject to the limitations which the City has established for consultants. PFM would be happy to negotiate a cap to all expenses. Our experience working with the City is that our expenses are very minimal given our local proximity and the lack of travel required by the City for rating agency meetings or pricings.

We do not want fees to be an obstacle to PFM being retained as the City's financial advisor. We are willing to negotiate agreed-to fees that could better reflect the workload and complexity of particular transactions or set of transactions and we are happy to discuss this proposal in greater detail with you and to provide any additional information.

EXHIBIT “C”

City’s Representatives:

David Nakamoto

Fidel Aguayo

EXHIBIT “D”

Materials/Information Furnished: None

EXHIBIT “E”

Consultant’s Key Employee:

Michael Berwanger