Council Meeting of
August 25, 2009

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: City Manager – Approve contract extension for Government Consulting Services Expenditure: Not to exceed $15,720

RECOMMENDATION

Recommendation of the City Manager that City Council approve a contract extension with Townsend Public Affairs, Inc. (C2008-190) for government consulting services for the period October 1, 2009 through December 31, 2009 for an additional amount of $15,720 for a total contract amount not to exceed $78,600.

Funding

Funds are available in the 2009-10 Department Operating Budgets.

BACKGROUND

In 2007, the City determined the need to expand the City's impact on competitive allotment specific to the City. The goal was active pursuit of beneficial legislation and aggressive defense against detrimental legislation; and active seeking of grants and allocations.

The City had specific objectives to achieve:

- A voice in Sacramento and Washington, DC
- Be on the front side for funding during the legislative framing
- Successful targeted grant applications and allocation

A City Team was formed to interview lobbyist firms that demonstrated experience consistent with the City's objectives. During the interview process, it was determined that a lobbyist with specific Sacramento and Washington, DC experience would best meet the first two objectives of the City, and a lobbyist with a demonstrated record of achieving funding for capital projects through grant programs and specialized bond monies would best meet the third objective.

The Team selected Townsend Public Affairs, Inc. for grant funding consulting and targeted grant application identification process and submission. The City entered into a one year contract with the firm effective October 1, 2007. Based on the excellent services to the City, another agreement was approved on September 23, 2008 to continue services with Townsend Public Affairs, Inc.

ANALYSIS

Townsend Public Affairs, Inc. has been responsive to the City's request for services. They have coordinated meetings with our state and federal elected officials, identified funding opportunities, and assisted in drafting language. For the past year, Townsend Public Affairs, Inc. was instrumental in identifying and preparing applications at the state and federal level for a variety of projects to include:

- South Bay Regional Intermodal Transit Centers Project
- Enhancement of City sumps both for storm water and recreational purposes
- Assisted with identifying competitive grants for local and regional parks under Proposition 84
- Police Auto Cite Project

With consulting services, such as this one, after a two year timeframe the City circulates a request for proposal to ensure competiveness, quality of services and cost effectiveness. Over the next month, the City will circulate a request for proposal, rate proposals, conduct interviews, make recommendations and prepare an item to council for approval of selected consultant. In the interim, staff is recommending that the contract with Townsend Public Affairs, Inc. be extended through December 2009 to maintain lobbyist services. Townsend Public Affairs, Inc. will be among the firms asked to submit a proposal.

Respectfully submitted,

LeROY J. JACKSON
CITY MANAGER

By Mary Giordano
Mary K. Giordano
Assistant City Manager

CONCUR:

LeRoy J. Jackson
City Manager

Attachments: A) Amendment to Agreement
B) Consulting Services Agreement

AMENDMENT TO AGREEMENT

This Amendment to Agreement is made and entered into as of _____, 2009 by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and TOWNSEND PUBLIC AFFAIRS, a California corporation ("CONSULTANT")

RECITALS:

A. CITY and CONSULTANT entered into an Agreement on October 1, 2008 whereby CONSULTANT agreed to provide Government Consulting to pursue funding from the State of California and other public sector sources for the development, enhancement and/or expansion of projects and programs for the City of Torrance.

B. The Agreement was through September 30, 2009 and was for an amount not to exceed $62,880.

C. The City is satisfied with the level of service provided by CONSULTANT.

D. Both parties wish to amend the Agreement to extend the term for an additional three months.

AGREEMENT

1. Paragraph 2, entitled "**TERM,**" is amended to read in its entirety as follows:

   "2. **TERM**
   Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through December 31, 2009."

2. Paragraph 3, entitled "**COMPENSATION**" is amended to read in its entirety as follows:

   "3. **COMPENSATION**
   A. CONSULTANT's Fee.

   For services rendered pursuant to this Agreement, CONSULTANT will be paid in accordance with the Compensation Schedule attached as Exhibit B, provided, however, that in no event will the

total amount of money paid the CONSULTANT, for services initially contemplated by this Agreement, exceed the sum of $78,600 ("Agreement Sum"), unless otherwise first approved in writing by CITY.

3. The persons executing this Agreement on behalf of the CONSULTANT warrant that (i) the CONSULTANT is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONSULTANT; (iii) by so executing this Agreement, the CONSULTANT is formally bound to the provisions of this Agreement; and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONSULTANT is bound.

4. In all other respects, the Agreement dated October 1, 2008 between CITY and CONSULTANT is ratified and reaffirmed and is in full force and effect.

CITY OF TORRANCE
A Municipal Corporation

_____
Frank Scotto, Mayor

Townsend Public Affairs, Inc.
a California Corporation

By:_____
Christopher Townsend
President

ATTEST:

_____
Sue Herbers
City Clerk

APPROVED AS TO FORM:
JOHN L. FELLOWS III
City Attorney

By: _____

Attachment B

COPY

OFFICE OF THE
CITY MANAGER
08 OCT 13 AM 10: 22

CONSULTING SERVICES AGREEMENT

This CONSULTING SERVICES AGREEMENT ("Agreement") is made and entered into as of October 1, 2008 (the "Effective Date"), by and between the CITY OF TORRANCE, a municipal corporation ("CITY"), and Townsend Public Affairs, a California Corporation ("CONSULTANT").

RECITALS:

A. CITY wishes to retain the services of an experienced and qualified CONSULTANT to provide Government Consulting to pursue funding from the State of Califonia and other public sector sources for the development, enhancement and/or expansion of projects and programs for the City of Torrance.

B. CONSULTANT represents that it is qualified to perform those services.

C20 08-190

AGREEMENT:

1. **SERVICES TO BE PERFORMED BY CONSULTANT**
CONSULTANT will provide the services listed in the Scope of Services attached as Exhibit A. CONSULTANT warrants that all work and services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

2. **TERM**
Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through September 30, 2009.

3. **COMPENSATION**
   A. CONSULTANT's Fee.

   For services rendered pursuant to this Agreement, CONSULTANT will be paid in accordance with the Compensation Schedule attached as Exhibit B, provided, however, that in no event will the total amount of money paid the CONSULTANT, for services initially contemplated by this Agreement, exceed the sum of $62,880 ("Agreement Sum"), unless otherwise first approved in writing by CITY.

   B. Schedule of Payment.

   Provided that the CONSULTANT is not in default under the terms of this Agreement, upon presentation of an invoice, CONSULTANT will be paid monthly the fees described in Paragraph 3.A. above, according to the Compensation Schedule. Payment will be due within 30 days after the date of the monthly invoice.

COPY

4. TERMINATION OF AGREEMENT

A. Termination by CITY for Convenience.

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.

2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONSULTANT will:

   a. cease operations as directed by CITY in the notice;
   b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
   c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

3. In case of such termination for CITY's convenience, CONSULTANT will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.

2. In the event this Agreement is terminated for cause by the default of the CONSULTANT, the CITY may, at the expense of the CONSULTANT and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due the CONSULTANT under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONSULTANT and its surety from liability for the default. Under these circumstances, however, the CONSULTANT and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.

3. Termination for cause will not affect or terminate any of the rights of the CITY as against the CONSULTANT or its surety then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event the CONSULTANT or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause the CITY determines to be so serious and compelling as to affect CONSULTANT's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then the CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. The CITY will not take action until CONSULTANT has been given notice and an opportunity to present evidence in mitigation.

5. FORCE MAJEURE

If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental control, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. RETENTION OF FUNDS

CONSULTANT authorizes CITY to deduct from any amount payable to CONSULTANT (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate CITY for any losses, costs, liabilities, or damages suffered by CITY, and all amounts for which CITY may be liable to third parties, by reason of CONSULTANT's negligent acts or omissions or willful misconduct in performing or failing to perform CONSULTANT's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONSULTANT, or any indebtedness exists that appears to be the basis for a claim of lien, CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of

CONSULTANT to insure, indemnify, and protect CITY as elsewhere provided in this Agreement.

7. **CITY REPRESENTATIVE**
Mary Giordano is designated as the "City Representative," authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONSULTANT.

8. **CONSULTANT REPRESENTATIVE(S)**
The following principal(s) of CONSULTANT are designated as being the principal(s) and representative(s) of CONSULTANT authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

Christopher Townsend

9. **INDEPENDENT CONTRACTOR**
The CONSULTANT is, and at all times will remain as to CITY, a wholly independent contractor. Neither CITY nor any of its agents will have control over the conduct of the CONSULTANT or any of the CONSULTANT's employees, except as otherwise set forth in this Agreement. The CONSULTANT may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

10. **BUSINESS LICENSE**
The CONSULTANT must obtain a City business license prior to the start of work under this Agreement, unless CONSULTANT is qualified for an exemption.

11. **OTHER LICENSES AND PERMITS**
CONSULTANT warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**
By executing this Agreement, CONSULTANT warrants that CONSULTANT (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONSULTANT warrants that CONSULTANT has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONSULTANT discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONSULTANT must immediately inform CITY of that fact and may not proceed except at CONSULTANT's risk until written instructions are received from CITY.

13. **CARE OF WORK**

CONSULTANT must adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages, to persons or property, until acceptance of the work by CITY, except those losses or damages as may be caused by CITY's own negligence.

14. **CONSULTANT'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS**

Records of the CONSULTANT's time pertaining to the project, and records of accounts between CITY and the CONSULTANT, will be kept on a generally recognized accounting basis. CONSULTANT will also maintain all other records, including without limitation specifications, drawings, progress reports and the like, relating to the project. All records will be available to CITY during normal working hours. CONSULTANT will maintain these records for three years after final payment.

15. **INDEMNIFICATION**

CONSULTANT will indemnify, defend, and hold harmless CITY, the City Council, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONSULTANT, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONSULTANT's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONSULTANT and CITY, as to whether liability arises from the sole negligence of the CITY or its officers, employees, agents, subcontractors or vendors, CONSULTANT will be obligated to pay for CITY's defense until such time as a final judgment has been entered adjudicating the CITY as solely negligent. CONSULTANT will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

16. **NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES**

No officer or employee of CITY will be personally liable to CONSULTANT, in the event of any default or breach by the CITY or for any amount that may become due to CONSULTANT.

17. INSURANCE

A. CONSULTANT must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:

1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:

   a. Primary Bodily Injury with limits of at least $500,000 per person, $1,000,000 per occurrence; and

   b. Primary Property Damage of at least $250,000 per occurrence; or

   c. Combined single limits of $1,000,000 per occurrence.

2. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least $1,000,000 per occurrence.

3. Professional liability insurance with limits of at least $1,000,000 per occurrence.

4. Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least $1,000,000.

B. The insurance provided by CONSULTANT will be primary and non-contributory.

C. CITY, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insured under the automobile and general liability policies.

D. CONSULTANT must provide certificates of insurance and/or endorsements to the City Clerk of the City of Torrance before the commencement of work.

E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

18. SUFFICIENCY OF INSURERS AND SURETIES

Insurance or bonds required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to CITY, the CONSULTANT agrees that the minimum limits of any insurance policies or performance bonds required by this Agreement may be changed

accordingly upon receipt of written notice from the Risk Manager; provided that CONSULTANT will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST

A. CONSULTANT agrees that, prior to entering into contract for consultation services with any party, associate, or individual other than CLIENT, CONSULTANT shall meet and confer with CLIENT to discuss the potential of conflict created by such additional contract(s). It is understood, however, that final determination to enter into such contracts shall remain at the discretion of CONSULTANT. If CONSULTANT should enter into a contract for consultation services with any entity which CLIENT believes is a conflict of interest, CLIENT will have the right to terminate the Agreement upon three (3) days written notice.

B. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.

C. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

20. NOTICE

A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:

1. Personal delivery. When personally delivered to the recipient: notice is effective on delivery.

2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.

3. Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.

4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.

5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

6. Addresses for purpose of giving notice are as follows:

CONSULTANT:	Christopher Townend Townsend Public Affairs, Inc. 2699 White Road, Suite 251 Irvine, CA 92614 Fax: 949/476-8215
CITY:	City Clerk City of Torrance 3031 Torrance Boulevard Torrance, CA 90509-2970 Fax: (310) 618-2931

B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. NON-ASSIGNMENT

It is acknowledged and understood the services to be rendered to CLIENT by CONSULTANT hereunder are personal in nature and therefore CONSULTANT may not assign this Agreement, nor may CONSULTANT assign any monies to be received hereunder without the written consent of CLIENT first obtained.

22. INTEGRATION; AMENDMENT

This Agreement represents the entire understanding of CITY and CONSULTANT as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

23. INTERPRETATION

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

24. **SEVERABILITY**
If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

25. **TIME OF ESSENCE**
Time is of the essence in the performance of this Agreement.

26. **GOVERNING LAW; JURISDICTION**
This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

27. **COMPLIANCE WITH STATUTES AND REGULATIONS**

A. CONSULTANT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

B. CONSULTANT shall conduct all affairs on behalf of CLIENT in accordance with all applicable laws and regulations, specifically in conformance with local, state, and federal political reform laws.

C. CONSULTANT shall be responsible for meeting its legal obligations to file the proper reports as required by the Political Reform Act of 1974 and related statutes. CLIENT shall not be responsible for CONSULTANT's failure to perform.

D. CLIENT shall be responsible for meeting its legal obligations to file the proper reports as a Lobbyist Employer under the Political Reform Act of 1974, CONSULTANT shall not be liable for CLIENT's failure to so perform.

28. **WAIVER OF BREACH**
No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

29. **ATTORNEY'S FEES**
Except as provided for in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

30. EXHIBITS

All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

31. CONFIDENTIALITY

CONSULTANT agrees to maintain in strict confidence all information supplied by CLIENT to CONSULTANT. CONSULTANT will disclose any such information to third parties or use any such information only as authorized by CLIENT. In addition, CONSULTANT will maintain in strict confidence all advice provided to CLIENT.

32. CONSULTANT'S AUTHORITY TO EXECUTE

The person(s) executing this Agreement on behalf of the CONSULTANT warrant that (i) the CONSULTANT is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONSULTANT; (iii) by so executing this Agreement, the CONSULTANT is formally bound to the provisions of this Agreement; and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONSULTANT is bound.

CITY OF TORRANCE
a Municipal Corporation

Frank Scotto, Mayor

ATTEST:

Sue Herbers
City Clerk

APPROVED AS TO FORM:
JOHN L. FELLOWS III
City Attorney

By: _____

Townsend Public Affairs, Inc.
A California Corporation

By: _____
Christopher Townsend
President

Attachments: Exhibit A Scope of Services
Exhibit B Compensation Schedule

Revised: 1/30/01

EXHIBIT A

SCOPE OF SERVICES

CONSULTANT agrees to perform professional services for CLIENT, as requested by the CLIENT, including, but not limited to:

a. CONSULTANT shall develop, coordinate and implement a government relations strategy subject to approval by CLIENT and shall assist with special projects as requested by CLIENT. CONSULTANT shall focus its efforts on the following:

- As directed, pursue funding from the State of California and other public sector sources for the development, enhancement and/or expansion of projects and programs for the City of Torrance.
- Other related assignments, as mutually agreed upon by both parties.

b. Reconnaissance of proposed state government actions which may affect CLIENT, to include;

1. Maintaining an overview of legislative and executive agency activities that will assist in funding CLIENT projects.

2. Advising appropriate CLIENT staff on all funding activities and opportunities determined to be of significance to CLIENT.

3. Research to adequately provide this function.

c. Analysis of proposed state legislative and executive agency actions affecting CLIENT funding needs and opportunities.

d. Consultation with CLIENT on potential implications of issues and alternative responses to state and federal initiatives and participation in CLIENT meetings as scheduled; consultation with CLIENT on any and all activities as requested by CLIENT or as deemed necessary by CONSULTANT to achieve funding goals.

e. Monitoring all introduced legislative bills for consultation with CLIENT to determine those of interest to CLIENT for funding of special projects and opportunities.

f. Assisting CLIENT in the development and execution of appropriate documents, grants or other funding application requirements.

g. Primary emphasis shall be given to issues that will provide specific and identifiable benefits to CLIENT.

REPORTS OF WORK

a. CONSULTANT shall submit to CLIENT periodic written reports of work, however no less than every four weeks, performed to identify and/or implement CLIENT legislative programs.

b. CONSULTANT shall provide oral reports as scheduled at the convenience of CLIENT and CONSULTANT.

EXHIBIT B

COMPENSATION SCHEDULE

Fee Schedule: CLIENT agrees to pay CONSULTANT $5,000 per month. CLIENT to also pay a 4.8% monthly administrative expense fee calculated as a percentage of the monthly facsimiles, postage, shipping, and long-distance telephone expenses. CLIENT to pay each billing no later than 30 days from invoice for the duration of the contract. CONSULTANT shall be solely responsible for all expenses incurred in connection with the performance of the Agreement with the exception detailed in Exhibit "B - Expenses" outlined below. Contract not to exceed an amount of $62,880.

Expenses: City shall incur no expenses other than in the event CONSULTANT is requested to specifically accompany and/or represent City in Washington DC with respect to federal legislation. If event should occur, written expense approval must be authorized in advance.