

## LEGAL SERVICES AGREEMENT

THIS LEGAL SERVICES AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2026, by and between the City of Merced, a California Charter Municipal Corporation, whose address of record is 678 West 18th Street, Merced, California 95340, (hereinafter referred to as “City”) and Hanson Bridgett, LLP, a California Limited Liability Partnership, whose address of record is 425 Market Street, 26th Floor, San Francisco, California 94105 (hereinafter referred to as “Attorney”).

WHEREAS, City requires specialized legal services to provide assistance to the City Attorney; and,

WHEREAS, Attorney represents that it possesses the professional skills to provide specialized legal services in connection with said project.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants hereinafter recited, hereby agree as follows:

1. **SCOPE OF SERVICES.** The Attorney shall furnish the following services: Attorney shall provide the legal services described in Exhibit “A” attached hereto.

No additional services shall be performed by Attorney unless approved in advance in writing by the City, stating the dollar value of the services, the method of payment, and any adjustment in contract time. All such services are to be coordinated with City and the results of the work shall be monitored by the City Attorney or designee. However, the means by which the work is accomplished shall be the sole responsibility of the Attorney.

2. **TIME OF PERFORMANCE.** All of the legal services shall be performed and completed in accordance with the direction provided by City.

3. **TERM OF AGREEMENT.** The term of this Agreement shall commence on July 1, 2026 and end on June 30, 2029. The City shall have the option to extend this Agreement for two (2) one (1) year terms.

4. **COMPENSATION.** Payment by the City to the Attorney for actual services rendered under this Agreement shall be made upon presentation of an invoice detailing services performed under the Scope of Services, in accordance

with the fee schedule set forth in Exhibit "B" attached hereto and incorporated herein by reference. The Attorney agrees to provide all services required under the Scope of Services in Exhibit "A" within the compensation amount set forth in Exhibit "B". For Attorney's services rendered under this Agreement, City shall pay Attorney the not to exceed sum of One Hundred Fifty Thousand Dollars (\$150,000).

5. **METHOD OF PAYMENT.** Compensation to Attorney shall be paid by the City after submission by Attorney of an invoice delineating the services performed.

6. **RECORDS.** It is understood and agreed that all plans, studies, specifications, data magnetically or otherwise recorded on computer or computer diskettes, records, files, reports, etc., in possession of the Attorney relating to the matters covered by this Agreement shall be the property of the City, and Attorney hereby agrees to deliver the same to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials including but not limited to those set forth hereinabove, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use.

7. **ATTORNEY'S BOOKS AND RECORDS.** Attorney shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Attorney to this Agreement. Any records or documents required to be maintained shall be made available for inspection, audit and/or copying at any time during regular business hours, upon oral or written request of the City.

8. **INDEPENDENT CONTRACTOR.** It is expressly understood that Attorney is an independent contractor and that its employees shall not be employees of or have any contractual relationship with the City. Attorney shall be responsible for the payment of all taxes, workers' compensation insurance and unemployment insurance. Should Attorney desire any insurance protection, the Attorney is to acquire same at its expense.

In the event Attorney or any employee, agent, or subcontractor of Attorney providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be

eligible for enrollment in PERS as an employee of the City, Attorney shall indemnify, protect, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Attorney or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

9. INDEMNITY.

A. Indemnity for Professional Liability. When the law establishes a professional standard of care for Attorney's Services, to the fullest extent permitted by law, Attorney shall indemnify, protect, defend, and hold harmless City and any and all of its officials, employees and agents from and against any and all losses, liabilities, damages, costs, and expenses, including legal counsel's fees and costs but only to the extent the Attorney (and its Subconsultants), are responsible for such damages, liabilities and costs on a comparative basis of fault between the Attorney (and its Subconsultants) and the City in the performance of professional services under this agreement as determined by a court of competent jurisdiction.

B. Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Attorney shall indemnify, defend, and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel's fees and costs, court costs, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Attorney or by any individual or City for which Attorney is legally liable, including, but not limited to officers, agents, employees, or subcontractors of Attorney.

10. INSURANCE. During the term of this Agreement, Attorney shall maintain in full force and effect at its own cost and expense, the following insurance coverage:

a. Workers' Compensation Insurance. Full workers' compensation insurance shall be provided with a limit of at least One Hundred Thousand Dollars

(\$100,000) for any one person and as required by law, including Employer's Liability limits of \$1,000,000.00 per accident. The policy shall be endorsed to waive the insurer's subrogation rights against the City.

b. General Liability.

- (i) Attorney shall obtain and keep in full force and effect general liability coverage at least as broad as ISO commercial general liability coverage occurrence Form CG 0001.
- (ii) Attorney shall maintain limits of no less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage.
- (iii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects liability arising out of work or operations performed by or on behalf of the Attorney.
- (iv) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Attorney and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.
- (v) Attorney shall maintain its commercial general liability coverage for three (3) years after completion of the work and shall add an additional insured endorsement form acceptable to the City naming the City of Merced, its officers, employees, agents and volunteers for each year thereafter for at least three (3) years after completion of the work. Copies of the annual renewal and additional insured endorsement form shall be sent to the City within thirty (30) days of the annual renewal.

c. Automobile Insurance.

- (i) Attorney shall obtain and keep in full force and effect an automobile policy of at least One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

- (ii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects automobiles owned, leased, hired or borrowed by the Attorney.
- (iii) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Attorney and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.

d. Professional Liability Insurance. Attorney shall carry professional liability insurance appropriate to Attorney's profession in the minimum amount of One Million Dollars (\$1,000,000). Architects and engineers' coverage is to be endorsed to include contractual liability.

e. Qualifications of Insurer. The insurance shall be provided by an acceptable insurance provider, as determined by City, which satisfies all of the following minimum requirements:

- (i) An insurance carrier admitted to do business in California and maintaining an agent for service of process within this State; and,
- (ii) An insurance carrier with a current A.M. Best Rating of A:VII or better (except for workers' compensation provided through the California State Compensation Fund).

f. Certificate of Insurance. Attorney shall complete and file with the City prior to engaging in any operation or activity set forth in this Agreement, certificates of insurance evidencing coverage as set forth above and which shall provide that no cancellation or expiration by the insurance company will be made during the term of this Agreement, without thirty (30) days written notice to City prior to the effective date of such cancellation—including cancellation for nonpayment of premium. In addition to any other remedies City may have, City reserves the right to withhold payment if Attorney's insurance policies are not current.

11. PREVAILING WAGES.

A. Labor Code Compliance. If the work performed under this Agreement falls within Labor Code Section 1720(a)(1) definition of a “public works” the Attorney agrees to comply with all of the applicable provisions of the Labor Code including, those provisions requiring the payment of not less than the general prevailing rate of wages. The Attorney further agrees to the penalties and forfeitures provided in said Code in the event a violation of any of the provisions occurs in the execution of this Agreement.

B. These wage rate determinations are made a specific part of this Agreement by reference pursuant to Labor Code Section 1773.2. General Prevailing Wage Rate Determinations may be obtained from the Department of Industrial Relations Internet site at <http://www.dir.ca.gov/>.

C. After award of the Agreement, and prior to commencing work, all applicable General Prevailing Wage Rate Determinations, if applicable, are to be obtained by the Attorney from the Department of Industrial Relations. These wage rate determinations are to be posted by the Attorney at the job site in accordance with Section 1773.2 of the California Labor Code.

D. Attorney agrees to include prevailing wage requirements, if applicable, in all subcontracts when the work to be performed by the subcontractor under this Agreement is a “public works” as defined in Labor Code Section 1720(a)(1) and Labor Code Section 1771.

12. ASSIGNABILITY OF AGREEMENT. It is understood and agreed that this Agreement contemplates personal performance by the Attorney and is based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of the Attorney under this Agreement will be permitted only with the express written consent of the City.

13. TERMINATION FOR CONVENIENCE OF CITY. The City may terminate this Agreement any time by mailing a notice in writing to Attorney that the Agreement is terminated. Said Agreement shall then be deemed terminated, and no further work shall be performed by Attorney. If the Agreement is so terminated, the Attorney shall be paid for that percentage of the phase of work actually completed, based on a pro rata portion of the compensation for said phase satisfactorily completed at the time the notice of termination is received.

14. CONFORMANCE TO APPLICABLE LAWS. Attorney shall comply with its standard of care regarding all applicable Federal, State, and municipal laws, rules and ordinances. No discrimination shall be made by Attorney in the employment of persons to work under this contract because of race, color, national origin, ancestry, disability, sex or religion of such person.

Attorney hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. 1101 *et seq.*), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Attorney so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any agency or instrumentality of the federal or state government, including the courts, impose sanctions against the City for such use of unauthorized aliens, Attorney hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the City in connection therewith.

15. WAIVER. In the event that either City or Attorney shall at any time or times waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation. Waiver shall not be deemed effective until and unless signed by the waiving party.

16. INCONSISTENT OR CONFLICTING TERMS IN AGREEMENT AND EXHIBITS. In the event of any contradiction or inconsistency between any attached document(s) or exhibit(s) incorporated by reference herein and the provisions of the Agreement itself, the terms of the Agreement shall control.

Any exhibit that is attached and incorporated by reference shall be limited to the purposes for which it is attached, as specified in this Agreement. Any contractual terms or conditions contained in such exhibit imposing additional obligations on the City are not binding upon the City unless specifically agreed to in writing, and initialed by the authorized City representative, as to each additional contractual term or condition.

17. AMBIGUITIES. This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, any rule of law, including, but not limited to, Section 1654 of the Civil Code of California, or any other statutes, legal decisions, or common-law principles of similar effect, that would require interpretation of any ambiguities in this

Agreement against the party that drafted this Agreement is of no application and is hereby expressly waived.

18. VENUE. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this agreement shall be held exclusively in a state court in the County of Merced.

19. AMENDMENT. This Agreement shall not be amended, modified, or otherwise changed unless in writing and signed by both parties hereto.

20. INTEGRATION. This Agreement constitutes the entire understanding and agreement of the parties and supersedes all previous and/or contemporaneous understanding or agreement between the parties with respect to all or any part of the subject matter hereof.

21. AUTHORITY TO EXECUTE. The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligations hereunder.

22. COUNTERPARTS. This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.

CITY OF MERCED  
A California Charter Municipal  
Corporation

BY: \_\_\_\_\_  
D. Scott McBride  
City Manager

ATTEST:  
D. SCOTT MCBRIDE, CITY CLERK

BY: \_\_\_\_\_  
Assistant/Deputy City Clerk

APPROVED AS TO FORM:  
CRAIG J. CORNWELL, CITY ATTORNEY

BY: Craig Cornwell 6/3/2020  
City Attorney Date

ACCOUNT DATA:  
M. VENUS RODRIGUEZ, FINANCE OFFICER

BY: \_\_\_\_\_  
Verified by Finance Officer

ATTORNEY  
HANSON BRIDGETT, LLP

BY:  \_\_\_\_\_  
Emily M. Charley  
Partner

Taxpayer I.D. No. 94-1205338

ADDRESS: 425 Market St., 26th Fl.  
San Francisco, CA 94105

TELEPHONE: 415-777-3200  
E-MAIL: [echarley@hansonbridgett.com](mailto:echarley@hansonbridgett.com)

## **EXHIBIT A SCOPE OF SERVICES**

1. Provide legal advice and legal services related to Land Use Planning matters, including but not limited to, Environmental Reviews, Zoning Changes, Community Facility Districts, Development Agreements, Reimbursement Agreements and Annexations.
2. Provide preparation of pleading and attendance at court appearances as requested by City Attorney for Pitchess motions, subject to conflict checks.
3. Provide legal advice on Code Enforcement related matters including but not limited to preparation of pleadings in receivership cases as requested by City Attorney, subject to conflict checks.
4. Provide legal advice and legal services on general municipal issues on an as-needed basis as requested by the City Attorney.

## **EXHIBIT B FEE SCHEDULE**

Attorney bills for its services on an hourly basis. Attorney accounts for its time in tenth-of-an-hour increments and calculates fees by applying the blended hourly rate of \$525.00 to the time spent on a matter. All billing rates are reviewed annually and may be adjusted periodically, subject to the City's approval. The reduced blended rate billed to the City may be adjusted to reflect Attorney's standard rates in fee-shifting cases.

Attorney's invoices contain a detailed narrative of the services rendered, together with the name of the attorney or paralegal involved, the time spent, and the amount charged. Attorney recommends that the City treat the invoices as confidential documents and safeguard them appropriately. Attorney plans to email the invoices to the attention of the City Attorney Craig Cornwell ([cornwellc@cityofmerced.gov](mailto:cornwellc@cityofmerced.gov)) and Paralegal Office Administrator Lynda Kovalcheck ([kovalcheckl@cityofmerced.gov](mailto:kovalcheckl@cityofmerced.gov)).

In the event Attorney anticipates that fees for work on the matters described on Exhibit A will exceed \$150,000 as set forth in Section 4 of the Agreement, and consistent with the City's policies, Attorney will not perform work in excess of that fee limitation without the City's approval.