

RETAINER AGREEMENT LEGAL SERVICES

THIS AGREEMENT ("Agreement") is entered into by and between the *City of Chandler* (the "City"), a municipal corporation of the State of Arizona and the *Harvey Law PLLC*, (the "Firm") and is effective as of the 1st day of February 2023.

WHEREAS, the City is authorized to engage outside attorneys on behalf of the City to assist the City Attorney's Office in its representation of the City and its officers and employees; and

WHEREAS, the City Attorney may seek to assign outside counsel to provide legal representation, support and resources, as well as specialized legal advice to the City; and

WHEREAS, the Firm is experienced in providing legal representation in the areas of law deemed necessary by the City Attorney and has the necessary resources to do so.

NOW, THEREFORE, the parties agree as follows:

SECTION 1. SCOPE OF SERVICE

1. The City hereby retains and employs the Firm to provide legal representation of the City, its duly authorized officers, employees, and volunteers, as the ATTORNEY's/Firm's area of concentration and experience may allow in the matters related to RAD conversion and advise regarding associated United States Department of Housing and Urban Development projects.

2. The Firm will provide the Services in accordance with the City's Legal Representation Guidelines, which are attached hereto and incorporated herein by this reference.

3. The services provided pursuant to the Agreement are nonexclusive and the City is not limited by the Agreement from entering into other agreements for legal services with other attorneys, nor is the City required by this Agreement to assign any specific legal matters or volume of legal matters to the Firm.

4. Referral of specific legal matters will be through a Matter Notice Letter as requested by the City and signed by the Firm. A copy of each Matter Notice Letter shall be provided to the Chandler City Attorney. The Matter Notice Letter will contain:

- a) The name and designation of the matter for which legal services are sought; and
- b) An explanation of the scope of work.

SECTION 2. TERM

The City agrees to retain the Firm from the date of this Agreement and expires on January 31, 2025 unless mutually extended by the Firm and the City, in writing. The Firm will

undertake to represent the City to the conclusion of each matter assigned, even if the conclusion extends beyond the terms of this Agreement.

The City has the right to terminate this Agreement, in whole or in part, without penalty, by notifying the Firm in writing of such termination prior to the effective date of such termination. Such notification of termination shall state the effective date of termination. In the event of such termination, the Firm shall, unless otherwise mutually agreed upon in writing, cease all services immediately, except such services that are necessary to wind-up, in a cost-effective manner, all services being provided. Subject to Appropriation as described in this Agreement, the City shall be liable for payments for all services performed under this Agreement to the effective date of termination, plus any necessary services to effectively wind-up.

SECTION 3. ATTORNEY FEES

1. The Firm will provide the City with Services under this Agreement at the following rates and charges, unless amended by the Parties in writing. Hours of service shall be billed based on increments of no less than one/tenth of an hour and shall represent actual time spent, rather than a standard charge for the activity performed.

Hourly Rates:

\$325.00 Partner per hour

2. The Firm agrees to assign matters to paralegals and law clerks to achieve the most cost effective service in the City's best interest.

3. The Firm agrees not to bill for the service of more than one attorney (or paralegal/law clerk or combination of attorney, paralegal/law clerk) who attends the same meeting, conference or event unless approved in advance. The Firm agrees to assign work to attorneys, paralegals and law clerks in a manner to achieve the most cost effective benefit to City as is in the City's best interest.

Travel Rates:

The City will pay for travel time related to work performed pursuant to the terms of this Agreement.

SECTION 4. TERMINATION

This Agreement may be terminated by either party upon written notice. Notice of termination of the Agreement on behalf of the City may be given at any time at the discretion of the City Attorney.

In the event of termination, the Firm shall be paid compensation for Services performed. The City reasonably believes that funds can be obtained to make all payments according to the approved budget during the remainder of the fiscal year. If, however, the City does not allocate

funds to continue the legal representation, this Agreement shall automatically terminate when appropriated funds expire as provided in the Legal Representation Guidelines attached as **Exhibit “A”**.

SECTION 5. ASSIGNMENT AND SUBCONTRACTING

The Firm shall not assign, transfer or delegate any rights, obligations or duties under this Agreement, nor shall the Firm subcontract the provision of Services under the Agreement, without prior written consent of the City Attorney.

SECTION 6. AMENDMENT AND MODIFICATION

No provision of this Agreement will be deemed waived, amended or modified by either party unless such waiver, amendment or modification is in writing and signed by the City Attorney and the authorized agents of the Firm.

SECTION 7. APPLICABLE LAW

This Agreement shall be governed by and interpreted according to the laws of the State of Arizona.

SECTION 8. CONFLICTS

The Firm warrants that it has used due diligence to determine if it has a conflict in representing the City and that it does not except as specifically detailed in a separate document provided to the City Attorney and that by executing this Agreement, the Firm and the City have agreed that the representation contemplated in this Agreement has been approved by the City and by those clients of the Firm who must also consent to the representation due to the conflict. During the term of this Agreement, the Firm may not represent a client whose position may be adverse to the City without obtaining the City’s prior written consent to the adverse representation in accordance with the Rules of Professional Conduct, Rules 1.7 and 1.8.

SECTION 9. CANCELLATION FOR CONFLICT OF INTEREST

Pursuant to A.R.S. § 38-511, the City may cancel this Contract without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the City is or becomes at any time while this Agreement or an extension or renewal of this Agreement is in effect, an employee of or a consultant to any other party to this Agreement.

SECTION 10. INDEPENDENT CONTRACTOR

The Firm is an independent contractor and not an employee of the City. No permitted or required approval by the City of documents or Services of the Firm shall be construed as making the City responsible for the manner in which the Firm performs Services or for any negligence, errors or omissions of the Firm. Such approvals are intended only to give the City the

right to satisfy itself with the quality of the service performed by the Firm and the Firm specifically retains its independence of professional judgment.

SECTION 11. EXCLUSIVE BENEFIT OF THE PARTIES/NO THIRD PARTY RIGHTS

Except as specifically provided in this Section, this Agreement is not intended to create any rights, benefits, powers or interests in any third party and this Agreement is entered into for the exclusive benefit of the City and the Firm.

SECTION 12. SEVERABILITY

If any portion of this Agreement is found to be invalid, the remainder of the Agreement remains in effect.

SECTION 13. PROHIBITION AGAINST CONTINGENT FEES

The Firm warrants that no person or entity has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee. For breach or violation of this warranty, the City shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage brokerage or contingent fee.

SECTION 14. FIRM REPRESENTATIONS

1. **Forced Labor of Ethnic Uyghurs Prohibited.** By entering into this Agreement, the Firm certifies under A.R.S. sec. 35-394 that the Firm does not currently and agrees for the duration of the contract that the Firm will not use: (i) the forced labor of ethnic Uyghurs in the People's Republic of China; or (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (iii). any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

2. **No Israel Boycott.** By entering into this Agreement, the Firm certifies that the Firm is not currently engaged in, and agrees for the duration of the Agreement, not to engage in a boycott of Israel as defined by state statute.

SECTION 15. NOTICES

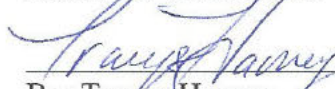
Any notice required or permitted to be given under this Agreement shall be deemed to have been given when received by the party to whom it is directed by personal service, hand delivery or United States Mail at the following addresses:

City: Kelly Y. Schwab,
Chandler City Attorney
Mail Stop 602
P.O. Box 4008
Chandler, Arizona 85244-4008
(480) 782-4640
Kelly.Schwab@chandleraz.gov

Firm: Travys Harvey
Harvey Law PLLC
7702 East Doubletree Ranch Road
Suite 300
Scottsdale, Arizona 85258
(602) 622-9454
tharvey@harvey.legal

Either party may, at any time and from time-to-time, change its representative or address by written notice to the other.

HARVEY LAW PLLC



By: Travys Harvey
As its: Owner and Managing Attorney

ATTEST:

THE CITY OF CHANDLER, a political
subdivision of the State of Arizona

CITY CLERK

MAYOR

APPROVED AS TO FORM:

CITY ATTORNEY

DMG

EXHIBIT A

LEGAL REPRESENTATION GUIDELINES

These Legal Representation Guidelines (“Guidelines”) set forth the procedures that govern the Chandler City Attorney’s Office’s (“City”) relationship with its Contracted Counsel (“the Firm”) and City’s expectations when retaining the Firm to represent City.

City regards its relationship with each retained attorney and the Firm as personal and contractual. Adherence to these Guidelines is a condition of maintaining that relationship. City expects the Firm to maintain the highest ethical standards and to comply with all applicable laws, rules, and regulations governing ethical conduct. Nothing contained in these Guidelines is intended to, nor shall it, restrict the Firm's exercise of professional judgment or infringe upon the attorney-client relationship in any manner.

City expects the Firm, and any para-professionals working on City claims, to read and comply with these Guidelines. These Guidelines supersede any previously provided Guidelines.

1. Introduction. These Guidelines apply to all contracted counsel (“Outside Counsel” or “Counsel”) retained by the City of Chandler to provide legal services in connection with a matter. Outside Counsel shall become familiar with and adhere to these Guidelines in providing legal services in connection with the matter. The City wishes to remind Outside Counsel that the City expects Counsel to provide high quality legal services at a reasonable cost, to maintain transparency in billing, and to be mindful of the responsibility to conserve public resources without compromising the quality of the services provided. Contracted Counsel will work in conjunction with and at the direction of the City Attorney in the performance of Services hereunder.

Contracted Counsel will observe and abide by the terms and conditions of all applicable law, regulations, Rules of Professional Conduct, ordinances and rules of the United States, of the State of Arizona, and of the City of Chandler.

In the event of conflict between these Guidelines and the provisions or terms of the Retainer Agreement Legal Services, the provisions and terms that offer the City the most favorable result in the sole opinion of the City Attorney whose decision is final shall govern and prevail.

The Services provided pursuant to the Agreement are nonexclusive and the City is not limited by this Agreement from entering into other agreements for legal services with other attorneys, nor is the City required by this Agreement to assign any specific legal matters or volume of legal matters to Contracted Counsel.

2. Designated Contact.

a. City Attorney may designate a department attorney (the "Designated Contact") to work with Outside Counsel; if no attorney is designated then the City Attorney shall be Designated Contact for purposes of these Guidelines. Outside Counsel shall contact the Designated Contact for any approvals required by these Guidelines of litigation events or expenses. Outside Counsel should consult frequently with the Designated Contact regarding matters Outside

Counsel is handling so that the City will have current information about the status of the matters and can have input on such questions as whether a particular assignment is necessary, a particular deposition is worthwhile, or a particular document production can be completed more economically in-house. As appropriate, Outside Counsel will schedule periodic meetings and conference calls with the Designated Contact to discuss developments and strategy in the matter.

b. Outside Counsel shall contact the Designated Contact at the beginning of the engagement to set up an initial meeting at which relevant names and phone numbers, to the extent then known, can be given to Outside Counsel, and arrangements can be made for the provision of documentary evidence, including electronic discovery, to Outside Counsel. Whether such a meeting is actually held will be at the direction of the Designated Contact.

c. Outside Counsel should use its professional judgment in deciding whether to obtain the prior approval of the Designated Contact for a litigation event, where such approval is not specifically required by these Guidelines. Litigation Events that are specified in a plan of litigation and/or a budget that was previously submitted to and approved by the Designated Contact will ordinarily not need to be re-submitted for approval at the time the litigation event is about to transpire.

d. All bills submitted by Outside Counsel will be reviewed by and are subject to the approval of the Designated Contact.

3. *Notifications.* Outside Counsel shall promptly advise the Designated Contact in writing of any significant developments in a matter. Unless a court appearance, settlement discussion or other important meeting is scheduled less than 72 hours in advance, Outside Counsel shall notify the Designated Contact of such events at least 72 hours in advance (or within such other time as the Designated Contact may agree to) to enable Outside Counsel and other representatives of the City to attend or participate. In the event that a court appearance, settlement discussion or other important meeting is scheduled less than 72 hours in advance, Outside Counsel shall notify the Designated Contact as early a time as is practicable.

4. *Settlement Offers or Negotiations.* Outside Counsel shall immediately convey all offers of settlement to the Designated Contact who will consult with the appropriate persons in the Law Department and the City regarding any such offers. Outside Counsel may not enter into any settlement negotiations or settlements without the prior approval of the Designated Contact. The Designated Contact will make all determinations concerning such offers of settlement. Outside Counsel shall consult with the Designated Contact and obtain the Designated Contact's prior written approval for any proposed resolution of the matter Outside Counsel is handling. Outside Counsel will not affect a final compromise of any matter, nor assert any conflict waivers without the prior written approval of the City Attorney.

5. *Copies of Documents.* Outside Counsel shall provide the Designated Contact with copies of drafts of all significant pleadings in any litigation or other documents that Outside Counsel intends to provide to, or file with, a court or a government agency that may potentially affect the disposition of a matter, for the Designated Contact's review and approval, at least 72 hours before they are filed or submitted (or such other time as the Designated Contact may agree

to). Outside Counsel shall also provide the Designated Contact with final documents and/or imaged copies of as-filed documents, as the Designated Contact may request, as soon as is reasonably practicable. (If no instructions are received from the Designated Contact, Outside Counsel shall, at a minimum, provide copies of as-filed documents.)

6. Ownership and Access. All materials developed, prepared, kept or acquired during the performance of Services under this Agreement, including without limitation, all finished or unfinished documents, research, pleadings, memoranda, briefs, data, studies, surveys, drawings, manuals, maps, models, photographs, and reports (hereinafter collectively called "Documents") shall be available to the City Attorney upon request. Under the Arizona Rules of Professional Conduct, Rule 1.6, Outside Counsel's duty of confidentiality prohibits Outside Counsel from disclosing any information gained in the representation without the City Attorney's written permission. Documents shall be the exclusive property of the City Attorney and all such materials shall be retained by Outside Counsel for a minimum of seven (7) years from the date any and all appeal rights expire or conclusion of the matter. At the end of this retention term, the City Attorney shall be notified and given sixty (60) days to reclaim Documents or each file prior to its destruction by Outside Counsel. At all times, City Attorney shall have access to all Documents within 48 hours of a request for access.

7. Public Information. Outside Counsel acknowledges that information created or exchanged in the course of representation of a governmental body may be subject to the State of Arizona laws regarding public records A.R.S. § 39-121 *et. seq.* and may be subject to required disclosure. Outside Counsel will exercise professional judgment and best efforts when creating documents or other media intended to be confidential or privileged attorney-client communications that may be subject to disclosure under the State laws regarding public records (e.g. invoices where incidental notation may tend to reveal litigation strategies or privileged information). Outside Counsel should mark confidential or privileged attorney-client communications as confidential. This paragraph shall not be interpreted to limit Outside Counsel's duty to provide full disclosure to City and the City Attorney as necessary in Outside Counsel's judgment to represent City with due professional care or as required by applicable law or disciplinary rules.

8. Conflicts of Interest. The Arizona Rules of Professional Conduct and the Arizona state laws may affect whether and under what limitations a public entity may allow a waiver of a conflict of interest in legal representation. To the extent that the Rules and Law in this jurisdiction allow a waiver of a conflict of interest, the waiver must conform to those requirements or Outside Counsel must forego representing any other party where a conflict exists between that party and the City. In light of this restriction, Outside Counsel shall disclose to the City, as soon as is reasonably practicable, the identity of any client or prospective client the Outside Counsel represents or proposes to represent in any matter involving the City, or being heard by any City agency, with a short description of the matter and the possible adverse consequences to the City of such representation. Thereafter, Outside Counsel shall take one of the following actions:

a. Obtain the City's consent, in writing, to waive the conflict. Where appropriate, in the discretion of the City Attorney, the City may require, as a condition of such consent, that Outside Counsel implement and maintain, for the duration of the matter, effective screening procedures (an internal "firewall") to prevent the flow of information between the

attorneys performing services under this Agreement and the attorneys representing the other client or prospective client, and any such firewall shall be subject to the City's approval; or

b. Discontinue (or forego) its representation of the other client.

9. *Contact with the Media.* Outside Counsel is not authorized to comment publicly on any City matters, to issue statements or press releases or to disclose to the media any facts involving or relating to the matter Outside Counsel is handling without the prior approval of the City Attorney. Outside Counsel shall cooperate with the City Attorney regarding requests for information and, if requested by the City Attorney, assist in the preparation of documents relating to the matter. If Outside Counsel receives any media inquiries, Outside Counsel shall refer them to the City Attorney.

10. *Staffing.*

a. Attorneys. Outside Counsel and the Designated Contact will agree upon the specific attorney(s) who will have a lead role in the matter. Outside Counsel may not substitute a different attorney for a lead role without the Designated Contact's prior approval in writing. Outside Counsel shall submit a staffing profile that identifies the partners, associates and paralegals who will work on the matter. Changes in such staff are subject to the prior approval of the Designated Contact. The City Attorney reserves the right to request, and to object to, representation by specific attorneys within Outside Counsel's firm. Outside Counsel should minimize staffing changes; however, it is recognized that staffing changes may be necessary from time-to-time. The City will not pay for learning time associated with a change in personnel initiated by Outside Counsel, except that, if the change in personnel was made at the request of the Designated Contact and not because of poor performance, inaccessibility or lack of cooperation by the original personnel, the City will pay the reasonable costs associated with the review of the file by the new personnel.

b. In performing the services, Outside Counsel shall select, for each task, an individual suitable for the task and the specific needs of the matter. Each such individual must have appropriate experience in the area in which he or she is performing services and hold all necessary licenses and admissions.

c. Outside Counsel shall not:

- 1.* Overstaff City matters;
- 2.* Charge for any services that duplicate the efforts of other assigned staff;
- 3.* Charge for time of newly assigned lawyers, after a change in personnel, spent to become familiar with the matter, or time spent duplicating work performed by an attorney previously assigned to the matter except in the circumstances permitted in 11.a. above.

d. Limitation on Hourly Billing for Multiple Attorneys. The City will pay for only one attorney to attend meetings, depositions, hearings, court conferences, and trials, unless expressly and clearly specified in Outside Counsel's litigation plan, or unless otherwise approved in advance by the Designated Contact.

e. Paralegals. Some examples of the kinds of activities that generally should be performed by a paralegal, and not by an attorney, are:

1. Ordering searches such as title or legal records searches;
2. Ordering public records;
3. Organizing and re-organizing files that involve case documents such as separating and cataloguing responses to requests for production of documents;
4. Indexing file material, but only if a degree of professional judgment with respect to categorization is required;
5. Preparing subpoenas or notices for deposition, entry of appearance, substitution of Outside Counsel, requests to produce, jury trial demands, and other routine litigation documents;
6. Summarizing answers to interrogatories;
7. Preparing records requests and subpoenas;
8. Summarizing employment and other records;
9. Abstracting or digesting depositions; and
10. Summarizing document production.

Unless approved in advance by Designated Contact, these activities must not be billed at and will not be paid at an attorney rate.

f. Experts and consultants. The selection and retention of experts, appraisers, consultants, and investigators shall be coordinated with and approved by the Designated Contact. Outside Counsel shall itemize charges for any such services on its invoices.

11. Legal Research. The City will pay only for research reasonably necessary to complete the assignment. Outside Counsel shall obtain prior approval from the Designated Contact before conducting a legal research assignment that is expected to exceed ten hours. Outside Counsel shall consult, within its own firm and with the Designated Contact, prior to conducting legal research, to determine whether similar issues have been previously researched by Outside Counsel or by the City Attorney's Office. This is especially true of Notice of Claim, Statute of Limitations and Immunity issues, which are frequently litigated by the City Attorney. Outside Counsel is required to use such prior research where possible and applicable, and in such situations may charge the City only for research connected with updating the previously researched issues. Outside Counsel shall not initiate research before it is needed unless the Designated Contact expressly approves in advance.

12. Intra-Office Conferences. Intra-office conferences may be held for the purpose of discussing strategy and legal issues in the matter if included in the budget. All intra-office conferences for which the City will be billed may be held only as needed, and their length, as well as the number of persons attending, shall be kept to a minimum, included in the budget and approved in advance by Designated Contact. The City will not pay for conferences that are supervisory or instructional (including conferences regarding case management). Also, Outside Counsel may not bill for non-substantive internal conferences about City matters. Bills for intra-office conferences shall describe in detail the reason for the conference and the subject matter of the discussion. In the event an intra-office conference is essential to the representation and not approved in advance by Designated Counsel, the Designated Counsel must be notified as soon as

practical following the conference as to the reason for the conference, the persons attending and its outcome. The City may agree to pay for the conference if it concludes the reason for it and its cost is fully justified.

13. *Reviewing Files.* The City will not pay for the review of a file by an attorney who is merely supervising the work of another employee of the firm. Similarly, Outside Counsel shall not bill the City for file review if an event does not precipitate such review (such as a telephone call or receipt of correspondence) or if the file review does not result in the creation of any tangible work product. The City considers such review to be part of Outside Counsel's overhead and contained in Outside Counsel's hourly rate structure. Any invoice that includes "file review" as an item shall provide details or that item will not be considered for payment by the Designated Contact.

14. *Document or Deposition Summaries.* Outside Counsel may not charge for routinely digesting, abstracting, or summarizing documents and depositions, unless the Designated Contact has expressly and specifically agreed to such services and they have been included in the budget.

15. *Written Status Reports.* Outside Counsel may not charge the City for any status report not included in the budget, unless the status report was requested by the Designated Contact and the Designated Contact has agreed that it is compensable.

16. *Communications with City/Employees Outside the City Attorney's Office.* Before outside Counsel engages in any substantive communications with City officers or employees outside of the City Attorney's Office, Outside Counsel shall inform the Designated Contact of its intention to have such a communication. After the first instance, Outside Counsel is not expected to inform the Designated Contact each and every time it has such a communication unless the Designated Contact has specifically asked Outside Counsel to provide such information, or unless a communication is likely to go or has gone beyond the scope of the communications approved by the Designated Contact.

17. *Reimbursable Expenses.* The City will reimburse Outside Counsel for actual, reasonable and necessary out-of-pocket expenses at cost without mark-up. All expenses shall be documented to the satisfaction of the City Attorney. Some examples of expenses for which the City may allow reimbursement, unless excluded by the terms of a particular contract, are the following:

- a.** Messenger Services.
- b.** Overnight or other expedited delivery services. The City does not expect all documents to be hand-delivered or sent by an overnight or express delivery service, but such services may be used where appropriate under the circumstances.
- c.** Photocopying and Bates Labeling. Photocopying and Bates labeling costs are reimbursable if performed for Outside Counsel by an outside photocopying vendor. In such instances, reimbursement will be made at the lower of Outside Counsel's actual cost or an amount not to exceed .20 cents per page for routine copies, .50 cents per page for color copies, and **.00** cents per page for routine Bates labeling. Whenever Outside Counsel seeks reimbursement for

copying or Bates labeling by an outside photocopying vendor, Outside Counsel shall present to the City a copy of the photocopying vendor's invoice, which shall identify the type of copying (e.g., routine or color), the number of pages of each type copied, the number of pages Bates labeled, and the cost per page for each of these services. In-house copying costs are not reimbursable. When in-house Bates stamping is performed by an Outside Counsel paralegal, Outside Counsel will be reimbursed for the time spent Bates stamping at the paralegal hourly rate. Where productivity software is available to Bates Stamp documents and it is not used, Outside Counsel must provide an explanation for not using the software and City may adjust the amount of payment based on its estimate of the excess cost attributed to not using the productivity software.

d. Lodging and Meals. Lodging and meals are reimbursable only in the context of non-local travel under the contract, and then will be reimbursed at rates no greater than the lesser of the actual cost (without markup). The City will not reimburse for meals in connection with local travel, meaning travel that is 100 miles or less from the offices of Outside Counsel, unless the contract otherwise expressly provides. In no event will the City pay any broker's fee or finder's fee associated with the rental of any hotel room, apartment or other lodging.

e. Travel expenses such as Air Fare, Mileage, Rental Cars, and Taxi Fares. Outside Counsel shall bill air travel under the contract at no higher than the economy or coach fare. Outside Counsel shall use its best efforts to make airline reservations in advance so as to take advantage of lower air fares. While on non-local travel under the contract, meaning travel that is more than 100 miles from Outside Counsel's offices, Outside Counsel may bill the City for reasonable mileage or for the cost of a rental car when necessary and when the cost of a rental car is less than other forms of ground transportation. If the cost of a rental car is less than the mileage expense, a rental car must be used. Under such circumstances, the City will reimburse only at the rate for small, non-luxury vehicles. Outside Counsel may seek reimbursement for taxi fares when on non-local travel but any requests for reimbursement for taxi fares will be closely scrutinized for necessity and reasonableness.

If Outside Counsel's travel is both for the City and for another client or other activities of Outside Counsel, Outside Counsel may bill the City only for the City's pro rata share of the travel expenses.

18. Travel Time. Outside Counsel may bill the City for travel time FOR NON-LOCAL TRAVEL WHEN APPROVED IN ADVANCE at the applicable hourly rate(s) as set forth elsewhere in the contract. If Outside Counsel's travel is both for the City and for another client or other activities of Outside Counsel, the City shall be billed only for the City's pro rata share of such travel time. Non-local travel shall be approved in advance by the Designated Contact. Consistent with Paragraph 16.d. of these Guidelines, the City will pay for travel by only one person, unless the Designated Contact gives advance approval for travel by more than one person. TRAVEL TIME FOR LOCAL TRAVEL IS NOT AUTHORIZED AND MAY NOT BE BILLED OR PAID.

19. Non-Reimbursable Expenses. The City will not pay for the following expenses, without limitation:

- a.** Facsimile charges other than the long distance charges associated with the transmission.
- b.** Local telephone expenses.

- c. Office supplies.
- d. Charges for business meals or refreshments, unless related to out-of-town travel and then only in accordance with these Guidelines.
- e. In-house messenger services.
- f. Law books, journals, periodicals, subscriptions, etc.
- g. Computer consultants or technical support (This does not apply to the situation where Outside Counsel has engaged a computer, information technology or litigation technology support consulting firm to provide expert consulting services in support of and necessary to the representation.).
- h. Mobile phone charges.
- i. Charges for Lexis, Westlaw, and other such research services.
- j. Charges associated with purchasing or renting software or equipment such as copiers, printers, computers, etc.

20. *Non-Reimbursable Services.* The City will not pay for the following services, without limitation:

- a. Secretarial, clerical or word processing services (whether ordinary, temporary or overtime).
- b. Administrative services (including file creation, file organization and maintenance or closing).
- c. Accounting, billing or book-keeping services. (This does not apply to the situation where Outside Counsel has engaged an accountant or accounting firm as a subcontractor to provide expert consulting services in support of and necessary to the representation.)
- d. The time of summer associates.
- e. The time of law school graduates who are not admitted to the bar, except that, with the prior approval of the Designated Contact, such time may be billed at paralegal rates.
- f. The time of librarians.
- g. The time of computer or information technology support staff, or litigation technology support technicians. (This does not apply to the situation where Outside Counsel has engaged a computer, information technology or litigation technology support consulting firm to provide expert consulting services in support of and necessary to the representation.)
- h. Charges associated with creating, maintaining or using an information or case management system.
- i. The time spent reviewing, negotiating or executing the contract or any amendments to the contract.
- j. Charges associated with preparing bills or negotiating disputes over bills.
- k. Redrafting due to substandard work.
- l. The supervision, education or training of attorneys, paralegals, or other staff of Outside Counsel, including assigning such staff on a transient basis to a City matter.
- m. Office overhead costs of any kind.

21. *Additional Invoicing and Billing Guidelines.*

- a. Individuals assigned to work on a matter are expected to perform at high levels of efficiency.

b. Outside Counsel shall submit invoices for services rendered and/or for expense reimbursement, at a minimum, on a monthly basis. Invoices shall be submitted no more than 30 days after the end of the month in which the services reflected on the invoice were provided. It is especially important that any services rendered prior to June 30 of a given year be submitted no later than 30 days after that date; in addition, Outside Counsel must provide an estimate of this invoice (to include all work and expenses that have not been previously billed/incurred during the City fiscal year) on or before the last day of the City fiscal year. The City prefers that invoices cover no more than one calendar month, so that no one invoice will show hours billed in different months. There may be situations in which this is not practical, such as where the billing is task-based. If billing questions arise, they can be discussed with the Designated Contact.

c. Where Outside Counsel has been assigned more than one case or matter under a particular contract, and each case or matter has a different case number associated with it, Outside Counsel shall send a separate invoice for each such case or matter.

d. Each invoice shall contain the following information:

1. The case number (i.e., number).
2. The name or title of the matter.
3. A unique invoice number for the particular invoice.
4. Outside Counsel's taxpayer identification number.
5. The name of the Designated Contact.
6. Outside Counsel's billing contact.
7. The time period covered by the invoice.
8. The date of the invoice.
9. For hourly rate billing:

i. The specific dates of the services, the names of the persons who performed the services billed, their titles and, where applicable, their respective hourly rates.

ii. A full description of each charge. Where attorney client privilege or other confidential matters are subject to disclosure under the Public Records Law, the description should be reasonably full and complete for the City to make an informed decision regarding compliance with these Guidelines and the payment of the charges without disclosing the privileged or confidential information, disclosing the litigation strategy, or harming the City in the matter. For charges requiring prior approval of the Designated Contact, note the date of the approval.

iii. Time spent in .10 of an hour increments. (Not applicable in the case of task-based billing.)

10. For task-based billing: A description of each completed task for which payment is sought, and the amount billed for the completion of the task.

11. An itemized description of any disbursements and the charge for the disbursements.

12. Time Keeper Summary.

e. Outside counsel shall avoid vague or unclear descriptions of services rendered. A vague or unclear invoice is one that does not provide clear and specific information on, in most instances, the nature of the task, the reason for the task, the individual who performed the task, or the amount of time that was spent on a task. Outside Counsel's invoices shall provide clear, specific information relating to each task. For example, a bill for a telephone conversation

shall specify the parties and the purpose of the call. A bill for the drafting or review of any correspondence, pleadings, or other documents shall specifically describe the item in question. A bill for legal research time shall specify the issue(s) researched. Where attorney client privileged or other confidential matters are subject to disclosure under the Public Records Law, the description should be reasonably full and complete for the City to make an informed decision regarding compliance with these Guidelines and the payment of the charges without disclosing the privileged or confidential information, disclosing the litigation strategy, or harming the City position in the matter. The City will seek clarification from Outside Counsel where it finds a particular invoice to be vague or unclear and may reduce the amount of an invoice if a description satisfactory to the City is not provided.

f. Block billing is not permitted in hourly rate billing. Block billed entries are items that contain a single charge for more than one activity or more than one type of disbursement. Each item of work shall be associated with a discrete charge. An example of unacceptable block billing is the following:

05/12/10 Drafted letter to plaintiff's counsel; telephone conference call with plaintiff's counsel; discussed conference call with City Attorney's Office. 2 hours

g. Unless Outside Counsel is otherwise instructed by the City Attorney's Office, Outside Counsel's invoices shall be addressed and submitted to the City Attorney.