CITY OF SAUSALITO PROFESSIONAL SERVICES AGREEMENT

This **PROFESSIONAL SERVICES AGREEMENT**, (this "Agreement") is made and entered into this 8th day of January 2008, by and between the **CITY OF SAUSALITO**, a municipal corporation (hereinafter "City") and **TOP Productions** (hereinafter "Consultant").

In consideration of the mutual promises contained herein, the parties hereto agree as follows:

Section 1. Scope of Work

Consultant shall provide City with the services described in Exhibit A which is attached hereto and incorporated herein by this reference as though set forth in full.

The duties and services required of Consultant under this Agreement and pursuant to this Section 1 are referred to throughout the remainder of this Agreement as "the Work."

Section 2. Responsible Individual. The individual directly responsible for the performance of the duties of Consultant is Peter Daly. Consultant represents and warrants that the execution of this Agreement has been approved by Consultant and that person executing this Agreement on behalf of Consultant has the full authority to do so.

Section 3. Work Schedule.

Consultant shall be available to work as many hours as required to complete the Work immediately upon receipt of the signed Agreement from the City and shall complete each task in a timely manner as specified. Consultant shall not be held responsible for delays caused beyond its reasonable control.

Section 4. Compensation.

In consideration of the performance of the Work described in Section 1 pursuant to the schedule set forth in Section 3, Consultant shall be compensated in a total amount due of Forty Two Thousand Dollars (\$42,000.00). One half of this amount, or Twenty One Thousand Dollars (\$21,000.00) shall be due on January 25, 2008; and one half of this amount, or Twenty One Thousand Dollars (\$21,000.00) shall be due February 15, 2008

Consultant shall not charge City for any administrative expenses or overhead, including without limitation, facsimile, mileage and other/or any other expenses incurred by Consultant in connection with Consultant's provision of the Work. Consultant acknowledges and agrees that the compensation to be paid to Consultant under this Section 4 represents the full amount due and owing to Consultant in connection with performance of the Work.

Section 5. Amendments.

In the event City desires to retain Consultant for the performance of additional services, or wishes to delete any services in connection with this Agreement, specifications of such changes and adjustments to compensation due Consultant therefore shall be made only by written and signed amendment to this Agreement.

Section 6. Independent Contractor - Subcontractors.

It is specifically understood and agreed that in the making and performance of this Agreement, Consultant is an independent contractor and is not and shall not be construed to be an employee, common law employee, agent or servant of City. The consultant shall be solely liable and responsible to pay all required taxes and other obligations, including, but not limited to, withholding and Social Security. Consultant acknowledges and agrees that he/she is not entitled to the benefits of civil service status and/or the rights and privileges enjoyed by civil service employees and Consultant hereby waives any and all claims to such rights and/or privileges.

Section 7. Consultant's Responsibility.

It is understood and agreed that Consultant has the professional skills necessary to perform the Work, and that City relies upon the professional skills of the Consultant to do and perform the Work in a skillful and professional manner in accordance with the standards of the profession. Consultant thus agrees to so perform the Work.

Acceptance by City of the Work, or any of it, does not operate as a release of the Consultant from such professional responsibility. It is further understood and agreed that Consultant has reviewed in detail the scope of the work to be performed under this Agreement and agrees that in his professional judgment, the Work can and shall be completed for a fee within the amounts set forth in Section 3 of this Agreement.

Section 8. Hold Harmless and Indemnification.

Consultant shall indemnify, defend and save City, its officers, elected and appointed officials, employees, contractors and agents harmless from and against any and all liability, claims, suits, actions, damages and/or causes of action of any kind arising out of any bodily injury, personal injury, property damage or in violation of any federal, state or municipal law or ordinance or other cause in connection with the activities of Consultant, or on account of the performance or character of the Work or otherwise related to its performance of this Agreement to the extent that any such liability, claims, suits, actions, damages and/or causes of action arises out of the intentional, negligent or willful misconduct of the Consultant.

Section 9. Insurance.

Consultant shall take out and maintain during the life of the Contract: (a) Comprehensive General Liability insurance in an amount not less than \$2,000,000.00 combined single limit applying to bodily injury, personal injury and property damage; and (b) workers compensation insurance in the amount required by law.

The liability policy(ies) are to contain, the following provisions:

The City, its officers, elected and appointed officials, employees, contractors and agents must be named as a Named Insured under the coverage afforded with respect to the work being performed under this Agreement.

Section 10. Nondiscrimination.

There shall be no discrimination against any employee who is employed in the Work, or against any applicant for such employment because of race, religion, color, sex or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

Section 11. City Personnel Conflict of Interest.

No officers, member, or employee of City and no member of the governing body of City who exercises any functions or responsibilities in the review, approval of the undertaking or carrying out of the project, shall participate in any decision relating to this Agreement which affects his personal interest or the interest of any corporation, partnership, or association in which she is, directly or indirectly interested; nor shall any such officer, member or employee of City have any interest, direct or indirect, in this Agreement or the proceeds thereof.

Section 12. Consultant Conflict of Interest.

Consultant covenants that she presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of his services hereunder. Consultant further covenants that in the performance of this Agreement, no persons having any such interest shall be employed.

Section 13. Assignment.

Consultant shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation) without the prior written consent of City.

Section 14. Ownership of Documents.

Consultant agrees that all documents produced in the performance of this Agreement shall be the sole property of the City including all rights therein of whatever kind and whether arising from common or civil law or equity. The Work shall be used solely for the project for which it was originally intended.

Section 15. Termination.

City may terminate this Agreement at any time without reason stated or required by giving written notice of the same and specifying the effective date thereof, at least seven calendar days before the effective date of such termination. If the Agreement is terminated by City as provided herein, Consultant shall be paid for all effort and material expended on behalf of the Work under the terms of this Agreement, less any charges against Consultant as otherwise provided herein, up to the effective date of termination, except that upon notification of such termination, Consultant shall immediately cease to undertake any duties under the Agreement not yet underway, and shall limit its further activities up to the effective date of termination to those duties necessary to wind up work then underway.

Section 16. Miscellaneous.

- a. Consultant shall comply with all applicable federal, state and/or local laws and regulations in the performance of the Work, including without limitation the Federal Fair Debt Collection Practices Act and any applicable state collection laws. Consultant shall be courteous and business like, in the performance of the Work consistent with the image and reputation of City.
- b. All accounts assigned to Consultant by City are with all City's rights and interests as a creditor including contractual and statutory rights and Consultant may enforce all legal rights for the assigned account, including recovery of interest, fees and any other amounts or damages owed or to be owed by the person(s) or company for any assigned account, subject to Consultant's obligations to City hereunder.

- c. All amounts collected by Consultant on behalf of City shall be deposited immediately into a trust account maintained by Consultant at a financial institution approved by City. Funds will be transferred to City by ACH weekly on or before each Friday. Amounts due and payable to Consultant in accordance with this Agreement may be withheld from the funds transferred to City. Consultant shall provide City with a weekly report detailing all amounts received and amounts retained by Consultant clearly identifying the customer/case to which such amounts are attributable. In the event that funds collected by Agency are not sufficient to cover the amounts due to Consultant hereunder, Consultant shall provide City with an invoice of amounts due and City shall pay such invoice within thirty (30) days of City's receipt. City shall promptly notify Consultant of any amounts received by City as payment of all or a portion of an assigned account.
- d. Returned checks shall be reported on the remittance statement as a minus payment and a minus commission fee.
- e. Consultant shall not accept as settlement in full on any account assigned less than the full amount due without City's express written consent.
- f. Consultant shall be allowed to collect and keep interest to offset the cost of collecting the account. Consultant may assign or reduce the amount of the interest collected as part of negotiating or reaching a payment arrangement. All interest collected by Consultant shall be retained after payment to City of City's percentage of the principal amount due.
- g. Consultant acknowledges and agrees that it shall not undertake any legal action or arrange for legal action to be taken without City's express written consent.
- h. City shall have the right to withdraw any account assigned to Consultant at any time; provided, however, that Consultant shall be entitled to receive its fee for any account paid within sixty (60) days of withdrawal by the City.
- i. City shall have the right to audit Consultant's books and records during regular business hours upon reasonable advanced notice to Consultant. Consultant shall maintain its books and records in accordance with generally acceptable accounting principles ("GAAP").
- k. All costs of recovery, including without limitation, legal costs, shall be borne directly by Consultant.
- I. All notices used by Consultant for collection shall be approved in advance by City.
- m. Consultant shall maintain the confidentiality of all information transmitted to it by City including without limitation; account balances, transactions, customer lists and

transaction patterns. Consultant will not disclose confidential information to any third party without City's express written authorization except under Court order. Notwithstanding the foregoing, Consultant shall provide information in regards to delinquent accounts to credit reporting agencies unless directed not to do so by City.

n. Consultant may forward City's claims to another collection agency if the debtor has moved out of the general business area of Consultant and such other agency shall have the same authority as Consultant hereunder and City shall be afforded the same protections as provided hereunder.

In Witness Whereof, City and Consultant have executed this Agreement as of the date first written above.

City of Sausalito	Consultant
By: Adam Politzer Its: City Manager	By: Dan McCall Its: Owner
approved as to form:	
Mary Anne Wagner City Attorney	

EXHIBIT A SCOPE OF WORK