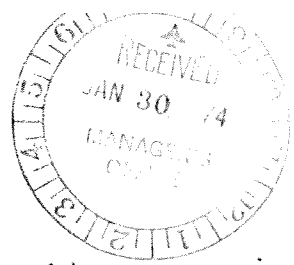


Parking Authority



AGREEMENT OF EMPLOYMENT

THIS AGREEMENT, made and entered into this 27th day of February, 1974 by and between the CITY OF REDLANDS, a municipal corporation duly organized and existing under and by virtue of the laws of the State of California (hereinafter sometimes called "City") and O'MELVENY & MYERS, attorneys (hereinafter sometimes called "Bond Counsel");

W I T N E S S E T H:

WHEREAS, the Parking Authority of the City of Redlands (hereinafter sometimes called the "Parking Authority") desires to assist the Redevelopment Agency of the City of Redlands in the development of parking facilities in the Redlands Redevelopment Project by issuing its bonds in the principal amount of approximately \$4,500,000; and

WHEREAS, the Parking Authority proposes to secure such issue of bonds with the revenues from a lease of such facilities to the City; and

WHEREAS, the City Council of the City desires to employ Bond Counsel to assist the City Attorney and to advise the said City Council, the legislative body of the Parking Authority and the City Manager with reference to matters pertaining to said issuance of said bonds; to review proceedings relating thereto; and

to furnish said Parking Authority with a written opinion as to first, whether or not the relevant proceedings have been properly conducted in accordance with law and second, whether or not the bonds of the Parking Authority are legally authorized and binding obligations of the Parking Authority;

NOW, THEREFORE, the parties hereto mutually agree as follows:

FIRST: Bond Counsel agrees to assist the City Attorney and to advise the City Council of the City, the legislative body of the Parking Authority and the City Manager with reference to matters pertaining to the financing described above. Said services include:

1. Reviewing the proceedings activating the Parking Authority and giving legal assistance and advice in connection with the activation and organization of the Authority.

2. Drafting the necessary lease between the Parking Authority and the City.

3. Drafting the necessary documents for the issuance and sale of bonds of the Parking Authority, including a resolution of issuance relating to said bonds.

4. Generally supervising the issuance, sale and delivery of bonds and giving instruction in connection therewith.

5. Examining the transcript of proceedings step by step as taken.

6. Issuing an approving opinion on the bonds to the purchaser thereof.

SECOND: The City, in consideration of the services rendered and to be rendered as aforesaid by said Bond Counsel to said City, agrees as follows:

1. For the above services, Bond Counsel will be paid a fee based upon the amount of bonds sold as follows:

<u>Amount</u>	<u>Fee</u>
\$1,000,000 to \$5,000,000	\$5,250 plus \$1.75 per thousand on excess over \$1,000,000
\$5,000,000 to \$10,000,000	\$12,250 plus 60¢ per thousand on excess over \$5,000,000

2. Such fee is payable following the delivery of the bonds to the purchaser thereof and the issuance of the Bond Counsel's approving opinion thereon. In the event that Bond Counsel, at the request of the City, commences services and for any reason the bonds are not issued within one year after such commencement, or if the proceedings are abandoned, Bond Counsel shall be

paid a reasonable fee for any services performed hereunder, the amount of such fee to be suggested by Bond Counsel but to be subject to the approval and concurrence of the City. In the event the bonds are thereafter issued, the amount of such fee will be credited against the fee due following such issuance computed under the foregoing schedule.

3. In addition to the above fees, the City will reimburse Bond Counsel, on periodic statements, for out-of-pocket expenses, if any, incurred by Bond Counsel in connection with this employment for long distance telephone calls, messenger charges, and similar items.

4. In addition to the above fees, Bond Counsel shall be paid a reasonable fee based on the time spent in the preparation and filing of any request for revenue rulings with the Commissioner of Internal Revenue, in the event that such services become necessary in order to issue a tax opinion to the Parking Authority and the purchaser of the bonds.

THIRD: The scope of services to be provided is only to act as Bond Counsel and does not include litigation or the rendering of other services or advice not connected with the issuance and sale of the bonds.

FOURTH: It is understood that you have employed or will employ a financial consultant who will

prepare the Official Statement in connection with the issuance of the bonds and will give advice concerning those terms of the bond issue and of the sale thereof which, apart from legality, may affect the marketability of the bonds at a favorable interest rate. Bond counsel is to have no duties regarding any such Official Statement except to check it in advance of use as to the description of the bonds and the statements of law pertaining thereto.

FIFTH: This contract shall be binding upon and inure to the benefit of said firm of O'Melveny & Myers as presently constituted or as changed hereafter by the death or retirement therefrom of any present partners, or by the admission of new partners, or by the death or retirement of any thereof or any or all of such happenings, provided that the opinion of the successor firm upon said bonds, whether under the same name or otherwise, is accepted by bond dealers and bond buyers as readily as the opinion of the firm as presently constituted.

SIXTH: It is recognized that Bond Counsel may have clients which may from time to time have interests adverse to the City or the Parking Authority and that Bond Counsel reserves the right to represent such clients in matters not connected with the authorization, issuance and sale of the bonds.

IN WITNESS WHEREOF, the parties hereto have
caused this contract to be legally executed, in duplicate,
this 5th day of February, 1974.

CITY OF REDLANDS
a Municipal Corporation

Jack Blum
Mayor

CITY

ATTEST:

Peggy A. Moseley
City Clerk

O'MELVENY & MYERS

BOND COUNSEL

The foregoing contract is hereby approved as
to form and legality this _____ day of _____,
1974.

City Attorney