



STAFF REPORT

MEETING DATE: April 26, 2023

PRESENTER: John Jansons, City Manager

SUBJECT: Amendment to Agreement for Legal Services with Montoy Law Corporation (JAJ)

RECOMMENDATION: Council by motion adopt resolution approving Amendment No. 2 Agreement for Legal Services with Montoy Law Corporation adjusting rates.

EXECUTIVE SUMMARY: The City of Kerman has contracted with the Montoy Law Corporation since 2015 to provide the City with municipal legal services. Since that time, the Firm rates have been adjusted once in 2019. Ms. Montoy has requested a new adjustment effective July 1, 2023.

The resolution attached would approve Amendment No. 2 to the contract for services and increase rates and fees charged to the City of Kerman for legal services.

The proposed new rates are competitive in our geographic region and reasonable to keep pace with rising costs experienced by firms who serve the City. See comparable rates under Discussion.

DISCUSSION: The City of Kerman has contracted with the Montoy Law Corporation since 2015 to provide the City with municipal legal services. Since that time, Montoy rates have been adjusted once in 2021. The resolution attached, would approve Amendment No. 2 to the contract for services and increase rates charged to the City of Kerman for legal services. Rates for general services would be increased from \$195 to \$215 and rates for litigation would be increased from \$235 to \$260.00

The proposed rates are competitive in our geographic region and reasonable to keep pace with rising costs. For example, the proposed \$215 rate for general services is still less than the rates for general legal services for surrounding cities as reflected below:

- Avenal: \$225.00
- Clovis: \$235.00
- Chowchilla \$240.00
- Coalinga \$265.00
- Corcoran \$245.00
- Del Rey CSD \$250.00
- Madera \$235.00

FISCAL IMPACT: As stated, the Firm has not increased rates since 2021 to account for the rising costs of doing business and in recognition of the City's limited resources available for legal services. The primary hourly fee charged to the City for general legal services will increase from \$195/hr. to \$215/hr. The proposed amendment, Exhibit 'A' to the Resolution, details the increased rates which average approximately 10% above the 2021 rates currently in effect.

ATTACHMENTS:

A. Resolution w/Exhibit

RESOLUTION NO. 23-___

**RESOLUTION APPROVING AMENDMENT NO. 2 TO AGREEMENT FOR LEGAL SERVICES
WITH MONTOY LAW CORPORATION**

WHEREAS, the City of Kerman requires competent and professional municipal legal services and advice; and

WHEREAS, the Montoy Law Corporation (Firm) has served the City since 2015 as contract City Attorney and both parties wish to continue this relationship; and

WHEREAS, Firm did not request a rate increase until 2021 to account for their rising costs of doing business and in recognition of City's financial situation in particular years; and

WHEREAS, another rate increase is warranted to keep pace with recent inflation and increased costs of doing business, and the requested increase is modest at only 10%; and

WHEREAS, the City deems the proposed increases reasonable and appropriate in the marketplace and a continuance of good value for competent and professional legal services; and

WHEREAS, Firm further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in Amendment No. 2 to Agreement

NOW THEREFORE, the City Council of the City of Kerman resolves as follows:

- SECTION 1. The above recitals are true and correct and incorporated herein by reference.
- SECTION 2. The City Council approves Amendment No. 2 to Agreement for Legal Services with Montoy Law Corporation (Exhibit 'A').
- SECTION 3. The City Council authorizes the Mayor to execute the Amendment.
- SECTION 4. This Resolution is effective upon its adoption.

The foregoing resolution was adopted by the City Council of the City of Kerman at a regular meeting held on the 26th day of April 2023, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Marci Reyes
City Clerk