



AGENDA REPORT

Meeting Date: June 19, 2012

Item Number: F-4

To: Honorable Chairman & Board of Directors of the City of Beverly Hills Parking Authority

From: Scott Miller, Chief Financial Officer,
Noel Marquis, Assistant Director of Administrative Services - Finance
Sharon Rahban, CPA, Accounting Manager

Subject: **AGREEMENT BETWEEN THE PARKING AUTHORITY OF THE CITY OF BEVERLY HILLS AND WHITE NELSON DIEHL EVANS LLP FOR PROFESSIONAL AUDIT SERVICES**

Attachments: 1.) Agreement

RECOMMENDATION

Staff recommends that the Board of Directors of the City of Beverly Hills Parking Authority move to approve an agreement between the City of Beverly Hills Parking Authority and White Nelson Diehl Evans LLP for audit services; and also approve a purchase order in the amount of \$2,400.

INTRODUCTION

The most recent contract for annual financial audit services expired at the end of fiscal year 2010-2011. This prompted a request for proposal (RFP) to be sent out to various audit firms. The contract for audit services spans over three (3) years with two one-year-extension options.

DISCUSSION

On May 15, 2012 the City Council approved an agreement with Mayer Hoffman McCann P.C. for continuation of the audit services. On June 5, 2012 Mayer Hoffman McCann P.C. was advised to cease all audit prep and site work until further notice. On June 7, 2012 the Audit Committee met to review this decision. After a short discussion the Audit Committee chose to recommend cancellation of the agreement with Mayer Hoffman McCann P.C. and select a new

audit firm. Mayer Hoffman McCann P.C. has been advised that the City has chosen to cancel the current agreement effective immediately.

Staff recommended White Nelson Diehl Evans LLP to be the successor auditor. White Nelson Diehl Evans LLP was one of the finalist firms responding to the City's Request for Proposal for audit services and had been interviewed by staff and the City Treasurer. The Audit Committee asked about the other finalist Macias Gini and O'Connell and staff discussed the rationale for recommending White Diehl Evans LLP over Macias Gini and O'Connell. The Audit Committee concurred with staff's recommendation. The Audit Committee and City Treasurer unanimously recommend White Nelson Diehl Evans LLP as the City's Auditor.

FISCAL IMPACT

Fiscal Year 2011-2012 is the first year that the City of Beverly Hills Parking Authority began accounting for its own transactions as a separate entity. The contract price for each Fiscal Year is as follows:

Fiscal Year	Price
FY 2011-12	\$2,400
FY 2012-13	\$2,460
FY 2013-14	\$2,460
FY 2014-15	\$2,460
FY 2015-16	\$2,460

The cost of the audit has already been budgeted with no budget enhancements needed for the new contract.


Noel Marquis
Finance Approval


Scott G. Miller
Approved By

Attachment 1

AGREEMENT BETWEEN THE PARKING AUTHORITY OF
THE CITY OF BEVERLY HILLS AND WHITE NELSON
DIEHL EVANS LLP FOR PROFESSIONAL AUDIT SERVICES

NAME OF CONSULTANT: White Nelson Diehl Evans LLP

RESPONSIBLE PRINCIPAL
OF CONSULTANT: Michael R. Ludin, CPA, Engagement
Partner

CONSULTANT'S ADDRESS: 2875 Michelle Drive, Suite 300
Irvine, California 92606-5165

AUTHORITY'S ADDRESS: Parking Authority
c/o City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Scott Miller, Treasurer

COMMENCEMENT DATE: July 1, 2012

TERMINATION DATE: July 31, 2014, unless extended pursuant to
Section 7B.

CONSIDERATION: Audit services covering the following fiscal
years: FY 2011-12: \$3,500; 2012-13:
\$3,600; FY 2013-14: \$3,700; FY 2014-15:
\$3,800; 2015-16: \$3,900;

AGREEMENT BETWEEN THE PARKING AUTHORITY OF
THE CITY OF BEVERLY HILLS AND WHITE NELSON
DIEHL EVANS LLP FOR PROFESSIONAL AUDIT SERVICES

THIS AGREEMENT (Agreement) is entered into by and between the PARKING AUTHORITY OF THE CITY OF BEVERLY HILLS, a public corporation, hereinafter referred to as the "Authority," and WHITE NELSON DIEHL EVANS LLP, hereinafter referred to as "Consultant."

RECITALS

A. It is the intention of the Authority to provide for the continued financial and compliance audits of its financial statements and federal grant programs, and for operational audits of the various Authority departments and Authority's Financial Reporting Entity ("Reporting Entity"), as defined by the Government Accounting Standards Board ("GASB"), collectively referred to as "Authority."

B. Consultant represents that it has the professional qualifications to provide such professional services, is "independent" of the Authority as defined by professional literature and federal, state and local requirements, and Authority desires to retain Consultant to perform such services;

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

Section 1. SCOPE OF WORK.

A. Authority hereby engages Consultant, and Consultant hereby agrees to examine the Authority's annual basic financial statements and required supplementary information ("RSI") in accordance with the auditing standards outlined in Section 1.E. below, with the objective of expressing an opinion on each opinion unit of the financial statements that collectively comprise the basic financial statements, including the budgetary comparison statements of the General Fund and/or major special revenue funds. In addition, Consultant shall express an "in-relation-to" opinion on the combining and individual nonmajor fund financial statements, budgetary comparison statements or schedules of any major fund with a legally-adopted budget (excluding those budgetary comparisons included in the basic financial statements), other governmental capital assets schedules, any other supplementary information included in the Financial Section of the Authority's comprehensive annual financial report ("CAFR"), and the Schedule of Expenditures of Federal Awards (included in the separately-issued Single Audit Reports of the Authority's federal grant programs). Consultant will determine that information provided in the Introductory Section and Statistical Section of the CAFR conforms to amounts reported in the basic financial statements.

B. Consultant shall conduct an examination of any Authority federal awards in conformance with the auditing standards outlined in Section 1.E. below. In addition to the audit of the Authority's federal awards, Consultant shall review any materials included in the reporting

package accompanying the Single Audit data collection form submitted to the Federal Government at the completion of the Single Audit.

C. Consultant shall perform agreed-upon procedures to test and report on any GANN appropriation limitation calculations if required by California State Law ("State Law").

D. Consultant shall assist the Authority, as necessary, to meet the requirements of the Government Finance Officers Association of the United States and Canada ("GFOA") Certificate of Achievement in Financial Reporting Program and the California Society of Municipal Finance Officers ("CSMFO") Certificate of Award for Outstanding Financial Reporting Program.

E. Consultant's examinations shall be conducted in accordance with the following standards:

(1) Auditing standards generally accepted in the United States of America, as promulgated by the American Institute of Certified Public Accountants ("AICPA") or any successor body, including standards related to fraud detection. Such standards must include the requirements of the AICPA Audit Guide, *Audits of States and Local Governments*.

(2) *Government Auditing Standards*, issued by the Comptroller General of the United States.

(3) The provisions of the Single Audit Act, as amended.

(4) The provisions of the U.S. Office of Management and Budget ("OMB") Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

(5) Specific auditing standards relating to any grant or other agreement determined to be material by Consultant for purposes of the examination of the basic financial statements.

(6) Any other applicable standards for conducting examinations of those items identified in Section 1.A – D above.

F. Consultant shall have the responsibility, within the standards outlined in Section 1.E. and within the inherent limitations of the auditing process, to plan the examination in order to identify fraud, errors or irregularities (as defined in authoritative professional literature) that would have a material effect on the Authority's financial statements.

G. Consultant shall review internal controls related to the Authority's financial systems, federal grant programs and other systems and procedures during the course of its examinations in accordance with standards identified in Section 1.E. Consultant shall recommend improvements in these areas, as well as such other areas as may come to its attention during the course of its examinations. Consultant shall report these findings and recommendations in writing to the Authority's Board of Directors (the "Board").

H. Consultant shall attend meetings of the Board, as requested from time to time. Authority anticipates that such meetings shall generally be conducted at least twice annually, prior to the commencement of significant procedures and upon the completion of all audit procedures and the preparation and submission of the various financial reports.

I. Consultant shall provide advisory services as required by Authority on matters that affect accounting, auditing, reporting and operating procedures.

J. Prior to the commencement of work in connection with services provided annually, Consultant may develop an annual "Engagement Letter" outlining the terms of the engagement, limitations, requirements and other information regarding the annual scope of work and services, which shall be subject to Authority's approval.

Section 2. SCOPE OF SERVICES. Consultant shall perform the work described in Section 1 including, without limitation, the following services:

A. Planning

- (1) Update Consultant's understanding of the Authority's operating environment.
- (2) Develop an in-depth understanding of areas of Authority concern.
- (3) Conduct detailed meetings with Authority Officials and staff.
- (4) Review data processing operations.
- (5) Conduct analytical reviews to identify other audit areas that might require attention.
- (6) Identify major areas of audit concern and define the major audit objectives.
- (7) Discuss and agree upon financial statement formats.
- (8) Perform Single Audit administrative matters, including identification of "pass-through" programs and related compliance requirements and conduct Single Audit planning.
- (9) Develop audit plan.
- (10) Communicate status in writing through "Flash Reports."

B. Interim Audit Work

- (1) Update Consultant's understanding of the Authority's major transaction cycles.
- (2) Identify internal control strengths and weaknesses.

- (3) Refine Consultant-tailored audit programs.
- (4) Conduct progress conferences.
- (5) Communicate status in writing through “Flash Reports.”

C. Final Audit Work

(1) Perform compliance testing to determine whether expected strengths within the systems are functioning as described as well as to determine the Authority’s compliance with applicable laws, regulations, contracts and grants.

(2) Perform substantive tests to provide reasonable assurance of the validity of the information produced by the accounting system.

(3) Perform a Single Audit of the Authority’s federal awards in accordance with applicable standards.

(4) Conduct formal exit conferences with Authority Officials and staff.

(5) Communicate status in writing through “Flash Reports.”

D. Reports. Following completion of the examinations, Consultant shall, at a minimum, issue the following written reports:

(1) A report on the fair presentation of the Authority’s basic financial statements, including the budgetary comparison statements of the General Fund and/or major special revenue funds, in conformity with accounting principles generally accepted in the United States of America, together with an “in-relation-to” opinion on the combining and individual nonmajor fund financial statements, budgetary comparisons of any major fund with a legally-adopted budget (excluding those budgetary comparisons included in the basic financial statements), other governmental capital assets schedules, and any other supplementary information included in the Financial Section of the Authority’s CAFR. The Authority estimates that it shall require no more than 400 copies of this report annually. The Authority shall prepare and print the CAFR; Consultant shall assist in its preparation.

(2) Separate “Single Audit” reports on the Authority’s federal award programs. Such reports shall include reports, schedules and opinions required by the Single Audit Act, as amended, OMB Circular A-133, Government Auditing Standards and any other applicable standards or requirements. The Authority estimates that it shall require no more than 100 copies of this report annually. Consultant shall print these reports. At a minimum, such reports shall include:

(a) An “in-relation-to” report on the Authority’s Schedule of Expenditures of Federal Awards (note that this may be included in the report described in Section 2.D. (2).c. below).

(b) A report on compliance and on internal control over financial reporting based on an audit of the basic financial statements performed in accordance with *Government Auditing Standards*.

(c) A report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133.

(d) A Schedule of Expenditures of Federal Awards together with applicable notes to this schedule (note that the Authority shall prepare this schedule, but Consultant shall include this schedule in the Single Audit Reports).

(e) A Schedule of Findings and Questions Costs.

(f) A Status of Prior Year Findings (if applicable).

(g) Form SF-SAC, *Data Collection Form for Reporting on Audits of States, Local Governments and Non-Profit Organizations*.

(h) Any other report or opinion required to be in conformance with the Single Audit Act, as amended, and OMB Circular A-133.

(3) A report on agreed-upon procedures related to the Authority's GANN Appropriations Limit Calculation, if required by State Law. The Authority estimates that it shall require no more than 10 copies of this report annually. Consultant shall print these reports at no cost to the Authority.

(4) A report to management concerning material weaknesses and/or reportable conditions, if any, as defined by the AICPA. Such report may be included in the annual letter to management described in Section 2.D. (5) below, provided that the report on such items is segregated from the report on other matters. The Authority estimates that it shall require no more than 100 copies of this report annually. Consultant shall print these reports.

(5) An annual letter to management addressing any observations concerning the Authority's internal control structure, as well as areas of potential economy and efficiency. Consultant shall include any matters from the prior year(s)' letter to management that have not been addressed during the subsequent fiscal year to Consultant's satisfaction. The Authority estimates that it shall require no more than 100 copies of this report annually. Consultant shall print these reports.

(6) An immediate, written report of all irregularities and illegal acts, or indicators of such irregularities and illegal acts, of which Consultant becomes aware to the Executive Director and the Treasurer. In addition, Consultant shall make any other reports necessary regarding irregular or illegal acts in accordance with *Government Auditing Standards*.

(7) A report to the Board and the Treasurer of standard communications required by auditing standards, including:

- (a) Consultant's responsibility under auditing standards generally accepted in the United States of America.
- (b) Significant accounting policies.
- (c) Management judgments and accounting estimates.
- (d) Significant audit adjustments.
- (e) Other information in documents containing audited financial statements.
- (f) Disagreements with management.
- (g) Management consultation with other accountants.
- (h) Major issues discussed with management prior to retention.
- (i) Difficulties encountered in performing the audit.
- (j) Any other communications required by standards outlined in Section 1.E.

Section 3. COMPLETION OF AUDIT AND DELIVERY OF REPORTS

A. Consultant shall complete all field work and issue all reports within 90 days after the books and records of the Authority for the appropriate fiscal year are closed and Authority staff is prepared for Final Audit Work to begin.

B. Consultant shall make all reasonable efforts to assist the Authority to issue its CAFR prior to the deadlines for submission for the GFOA and CSMFO award programs.

C. Consultant shall assist the Authority to meet all statutory reporting deadlines for its financial reports, for example, the Single Audit Data Collection Form and reporting package must be submitted no later than 30 days after issuance of the Single Audit Reports.

Section 4. ASSIGNMENT OF AUDIT PERSONNEL

A. Consultant shall assign personnel to this Project with a high level of municipal expertise. "Key Professional Staff" include partners, senior managers/managers, and in-charge accountants (regardless of title). Key Professional Staff identified in this Section shall be assigned by Consultant to perform the services required by this Agreement. There shall be no substitution of assignment of any individual so specified without prior written approval of the Authority. If such individual leaves Consultant's employ or is transferred, Authority shall have the right of approval of any replacement.

<u>Title</u>	<u>Individual</u>
Engagement Shareholder	Michael R. Ludin
Technical Review Shareholder	Robert C. Callanan
Engagement Manager	Daphnie Munoz
Field Supervisor	Jennifer King

B. During the term of this Agreement, continuity of personnel assigned to this Project shall be maintained at the management level, while allowing for sufficient rotation of staff to provide a fresh examination of controls and detailed records.

C. Consultant and all personnel assigned to the Project shall maintain independence as defined in standards described in Section 1.E., requirements of the U.S. Securities and Exchange Commission ("SEC") and any other successor authoritative bodies.

D. All applicable Consultant personnel shall maintain continuing professional education ("CPE") requirements, including governmental CPE, in accordance with both State of California Board of Accountancy rules for certified public accountants and standards described in Section 1.E. during the term of this Agreement.

Section 5. WORKING PAPERS. The auditor's journals and financial analysis of Consultant ("working papers") for this engagement are the property of Consultant. However, Authority acknowledges and grants assent that representatives of the oversight agency(ies) or their designee, other government audit staffs and the U.S. General Accounting Office, shall have access to the audit working papers upon their request; and that Consultant shall maintain the working papers for a period of at least 3 years after the date of the report, or for a longer period if Consultant is requested to do so by the oversight agency(ies). Access to requested work papers shall be provided under the supervision of Consultant audit personnel and at a location designated by Consultant.

Section 6. TERM OF AGREEMENT. The term of this Agreement shall cover the fiscal years 2011-12, 2012-13, and 2013-14, and shall automatically be extended for two (2) successive one-year periods unless, at least ninety (90) days prior to the end of a fiscal year, Authority gives Consultant written notice of cancellation in the manner provided in Section 14 of this Agreement.

Section 7. COMPENSATION

A. Authority agrees to pay Consultant for and in consideration of the faithful performance of the services and duties set forth in this Agreement, and Consultant agrees to accept from Authority, as and for compensation for the faithful performance of said services and duties, an annual fee of the following amounts: for fiscal year 2011-12, Three Thousand Five Hundred Dollars (\$3,500); for fiscal year 2012-2013; Three Thousand Six Hundred Dollars (\$3,600); and for fiscal year 2013-14, Three Thousand Seven Hundred Dollars (\$3,700).

B. For additional fiscal years, the annual fee for each of the continuation years shall be the following amounts: and for fiscal year 2014-15, Three Thousand Nine Hundred Dollars (\$3,900)

C. The annual fee for the services described in Sections 1 and 2 of this Agreement shall include all costs and expenses of Consultant for performance of the services described in this Agreement.

D. For additional services requested by Consultant and approved in writing by Authority that are outside of the scope of work and services described in Sections 1 and 2 of this Agreement, Authority shall compensate Consultant for "audit" projects at the following rates:

<u>Staff Level</u>	
Partner	\$ 215
Managers	150
Supervisors	110
Staff Auditors	85
Clerical	55

For non-audit projects, Authority shall compensate Consultant for such services at a mutually agreed-upon sum. Upon request of Authority, Consultant shall provide Authority with an estimate of the cost of such additional services. Consultant shall not commence performance of such additional services without prior written approval of Authority.

E. Authority shall pay Consultant the annual fee for each fiscal year upon satisfactory completion of the work required to be performed for that fiscal year pursuant to this Agreement, within thirty (30) days of Consultant's submittal of a statement to Authority describing the services performed for that fiscal year.

F. Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with Section 7.D. 10% of each progress billing will be withheld until satisfactory completion of all work for that particular fiscal year. All billings must include the purchase order number on the face of the invoice, type of services provided (e.g., planning, interim fieldwork, final fieldwork) and percentage complete, personnel used, hours and rates, extension and comparison to not-to-exceed total amount for the fiscal year. Billings must be for periods of time not less than thirty (30) days and will be paid by Authority within thirty (30) days of submission to Authority by Consultant. The final billing shall include amounts retained from progress billings.

G. Billings for services described in Section 1 and 2 shall not exceed the dollar amounts described in Section 7A. and Section 7.B.

Section 8. CHANGES. Authority shall have the right to order, in writing, changes in the work or the services to be performed. Any changes in the scope of work requested by Consultant must be made in writing and approved by both parties.

Section 9. TIME OF COMMENCEMENT. Upon written notification by Authority to proceed, Consultant shall commence performance of the services and duties set forth in this Agreement.

Section 10. INDEMNIFICATION. Consultant agrees to indemnify, hold harmless, and defend Authority, the Board and each member thereof, and every officer, employee and agent of Authority, from any claim, liability or financial loss (including, without limitation, attorneys' fees and costs) for death, bodily injury or damage to tangible property arising directly or indirectly from any and all intentional, willful, negligent or other wrongful acts, errors or omissions of Consultant or any person employed by Consultant in the performance of this Agreement.

Section 11. INSURANCE

A. Consultant shall at all times during the term of this Agreement carry, maintain and keep in full force and effect, a policy or policies of Comprehensive General Liability Insurance with minimum limits of Two Million Dollars (\$2,000,000) combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by Consultant.

B. Consultant shall at all times during the term of this Agreement carry, maintain and keep in full force and effect, a policy or policies of Commercial Vehicle Liability Insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by Consultant in performing the services required by this Agreement.

C. Consultant shall at all times during the term of this Agreement and for four (4) years thereafter, carry, maintain and keep in full force and effect a claims made policy or policies of professional liability insurance with a minimum limit of One Million Dollars (\$1,000,000).

D. Consultant agrees to maintain in force at all times during the performance of work under this Agreement workers' compensation insurance as required by law.

E. The policies of insurance required by this Agreement shall be issued by an insurer rated in the most recent edition of Best's Insurance Guide with a rating of at least B+VII or otherwise be approved by the Authority's General Counsel. All insurance policies shall provide that the insurance coverage shall not be cancelled by the insurance carrier without thirty (30) days written notice to Authority. Consultant agrees that it will not cancel or reduce said insurance coverage.

F. Consultant agrees that if it does not keep the aforesaid insurance in full force and effect, Authority may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, Authority may take out the necessary insurance and pay, at Consultant's expense, the premium thereon.

G. At all times during the term of this Agreement, Consultant shall maintain on file with the Secretary or Authority a certificate or certificates of insurance in the form set forth in Exhibit A, attached hereto and incorporated herein by this reference, showing that the aforesaid

policies are in effect in the required amounts. The comprehensive general liability policy or policies shall contain an endorsement naming Authority as an additional insured.

H. The insurance provided by Consultant shall be primary to any coverage available to Authority. The insurance policies shall include provisions for waiver of subrogation against Authority.

I. Any deductibles or self-insured retentions shall be declared to and must be approved by Authority. At the option of Authority, either the insurer shall reduce or eliminate the deductibles or self-insured retentions as respects Authority, or Consultant shall procure a bond guaranteeing payment of losses and expenses.

Section 12. ATTORNEYS' FEES. In the event of litigation between the parties arising out of or connected with this Agreement, the prevailing party in such litigation shall be entitled to recover, in addition to any other amounts, actual attorneys' fees and costs of such litigation.

Section 13. INDEPENDENT CONTRACTOR. Consultant is and shall at all times remain, as to Authority, an independent contractor. Neither Authority nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as herein set forth. Consultant shall not, at any time, or in any manner, represent that it or any of its agents or employees is in any manner an agent or employee of Authority.

Section 14. CANCELLATION OF AGREEMENT

A. Authority may cancel this Agreement at any time upon five (5) days written notice to Consultant. Consultant agrees to cease all work under this Agreement on or before the effective date of such notice.

B. In the event of termination or cancellation of this Agreement by Authority, due to no fault or failure of performance by Consultant, Consultant shall be paid full compensation for all services performed by Consultant, in an amount to be determined as follows: For work done in accordance with all of the terms and provisions of this Agreement, Consultant shall be paid an amount equal to the amount of services performed prior to the effective date of termination or cancellation; provided, in no event shall the amount of money paid under the foregoing provisions of this paragraph exceed the amount which would be paid Consultant for the full performance of the services required by this Agreement.

Section 15. FAIR EMPLOYMENT PRACTICES/EQUAL OPPORTUNITY ACTS. In the performance of the Agreement, Consultant shall comply with all applicable provisions of the California Fair Employment Practices Act (California Government Code Section 12940-48) and the applicable equal employment provisions of the Civil Right Act of 1964 (42 U.S.C. 200e-217), whichever is more restrictive.

Section 16. PRODUCTS OF SERVICE UNDER THIS AGREEMENT. All deliverables required under this Agreement shall become the property of Authority, and Authority may use all or any portion of the deliverables under this Agreement as Authority deems appropriate.

Section 17. SUCCESSORS AND ASSIGNS. This Agreement covers professional services of a specific and unique nature, and Consultant shall not assign or attempt to assign any portion of this Agreement without written approval of Authority.

Section 18. CONFLICTS OF INTEREST. Consultant agrees not to accept any employment or representation during the term of this Agreement which is or may likely make Consultant "financially interested" (as provided in California Government Code Section 1090 and 87100) in any decision made by Authority on any matter in connection with which Consultant has been retained pursuant to this Agreement.

Section 19. AUTHORITY REPRESENTATIVE. The Executive Director or his designee shall represent Authority in the implementation of this Agreement.

Section 20. NOTICE. Whenever it shall be necessary for either party to serve notice on the other respecting this Agreement, such notice shall be served by certified mail addressed to the Executive Director of the Parking Authority of the City of Beverly Hills, 455 N. Rexford Drive, Third Floor, Beverly Hills, California 90210; or to Consultant, White Nelson Diehl Evans LLP, 2875 Michelle Drive, Suite 300, Irvine, CA 92606-5165, Attention, Michael R. Ludin, Engagement Partner, unless and until different addresses may be furnished in writing by either party to the other pursuant to this Section. Such notice shall be deemed to have been served within seventy-two (72) hours after the same has been deposited in the United States Post Office by certified mail, or upon personal delivery to the address stated herein. Service as described in this Section shall be valid and sufficient notice for all purposes.

Section 21. EXTENT OF AGREEMENT. This Agreement represents the entire and integrated agreement between Authority and Consultant and supercedes any all prior negotiations, representations, or agreement, either written or oral. This Agreement may be amended only by written instrument signed by both Authority and Consultant.

Section 22. SEVERABILITY. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

Section 23. EFFECTIVE DATE OF THIS AGREEMENT. This Agreement, made in duplicate, shall be effective from and after the date signed by the Authority.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the _____ day of _____, 20____ at Beverly Hills, California.

"Authority"
PARKING AUTHORITY OF THE CITY
OF BEVERLY HILLS, a public corporation

WILLIAM W. BRIEN, M.D.
Chairman

ATTEST:

BYRON POPE
Secretary

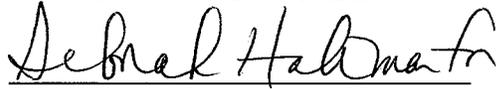
(SEAL)

“Consultant”
WHITE NELSON DIEHL EVANS LLP



MICHAEL R. LUDIN
Engagement Partner

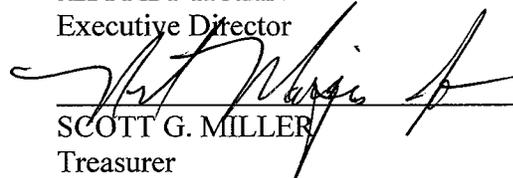
APPROVED AS TO FORM:



LAURENCE S. WIENER
General Counsel

APPROVED AS TO CONTENT:

JEFFREY KOLIN
Executive Director



SCOTT G. MILLER
Treasurer



KARL KIRKMAN
Risk Manager