

## AGREEMENT FOR LEGAL SERVICES

This AGREEMENT FOR LEGAL SERVICES (the "Agreement") is by and between MURPHY AUSTIN ADAMS SCHOENFELD LLP ("ATTORNEY") and HUMBOLDT COUNTY ("CLIENT").

1. Services. CLIENT has requested that ATTORNEY provide various legal services to assist CLIENT with respect to certain matters, the general nature of which are set forth in Exhibit A attached hereto. This Agreement shall also apply to any services for additional or future matters requested by CLIENT in writing or email and agreed to by ATTORNEY in a confirming letter or email unless, for any future matters, the terms and conditions herein have been modified. If ATTORNEY is unable to agree to CLIENT'S request to handle a future matter due to a potential or actual conflict of interest, workload considerations or any other reason, ATTORNEY will promptly notify CLIENT.

2. Effective Date and Term. This Agreement shall not be effective and ATTORNEY shall not have an obligation to provide legal services, until CLIENT returns a signed copy of the Agreement to ATTORNEY along with any deposit requested in Exhibit A. Thereafter the Agreement shall continue in force until the services contemplated by this Agreement are completed or terminated in accordance with Paragraph 7 hereof. If this Agreement does not become effective for any reason, CLIENT will still be obligated to pay ATTORNEY the reasonable value of services that we have performed for CLIENT and reimburse ATTORNEY for any costs and expenses.

3. Fees and Expenses.

(a) CLIENT shall compensate ATTORNEY for services rendered to CLIENT under this Agreement in accordance with the fee schedule set forth in Exhibit A attached to this Agreement. In the event this Agreement applies to matters beyond ATTORNEY'S initial engagement at the time this Agreement is executed, the term "Exhibit A" shall mean the communication sent by ATTORNEY to CLIENT confirming ATTORNEY'S engagement for the new matter. ATTORNEY reserves the right to adjust the fee rates set forth in Exhibit A from time to time. ATTORNEY shall provide CLIENT with written notice of any adjustment made by ATTORNEY to its fee rates.

(b) ATTORNEY will incur various costs and expenses in performing legal services under this Agreement. CLIENT agrees to pay for all costs, disbursements and expenses in addition to the hourly fees. The costs and expenses commonly include, service of process charges, filing fees, court and deposition reporters' fees, jury fees, notary fees, deposition costs, messenger and other delivery fees, postage, photocopying and other reproduction costs, travel costs including parking, mileage, transportation, meals and hotel costs, investigation expenses, consultants' fees, expert witness, professional, mediator, arbitrator and/or special master fees and other similar items. Except for the in-office items listed below, all costs and expenses will be charged at ATTORNEY'S cost.

Photocopying: black & white copies: \$.15 /page; color copies: \$1.00/page  
Facsimile charges: \$.35 /page

Mileage: Reimbursed at the current IRS reimbursement rate

(c) CLIENT agrees to pay transportation, meals, lodging and all other costs of any necessary out-of-town travel by ATTORNEY's personnel. CLIENT will also be charged the hourly rates for the time legal personnel spend traveling.

(d) To aid in the preparation or presentation of CLIENT's case, it may become necessary to hire expert witnesses, consultants or investigators. CLIENT agrees to pay such fees and charges. ATTORNEY will select any expert witnesses, consultants or investigators to be hired, and CLIENT will be informed of persons chosen and their charges.

(e) Additionally, CLIENT understands that if the matter proceeds to court action or arbitration, CLIENT may be required to pay fees and/or costs to other parties in the action. Any such payment will be entirely the responsibility of CLIENT.

(f) CLIENT shall pay ATTORNEY a deposit toward the payment for services performed and expenses incurred hereunder in the amount of the initial deposit as set forth in Exhibit A. ATTORNEY may require that the deposit be periodically replenished in an amount sufficient to assure payment of fees and expenses projected for the sixty (60) day period following any such request. Even if a deposit is not required by Exhibit A, ATTORNEY at any time may require a deposit in an amount sufficient to assure payment of fees and expenses projected for the sixty (60) day period following any such request. CLIENT agrees to replenish such deposit within fifteen (15) days of any such request. ATTORNEY shall hold the deposit in a trust account at Union Bank until fees or expenses are actually earned or incurred. CLIENT acknowledges that when calculating the insured limit for FDIC Insurance other accounts in CLIENT'S name at Union Bank may be combined with amount ATTORNEY holds in trust for CLIENT. CLIENT shall be entitled to the return of any part of the deposit remaining in the trust account when the representation is completed or terminated and all amounts due have been paid.

#### 4. Billing.

(a) Monthly Statements. ATTORNEY shall submit a monthly billing statement to CLIENT setting forth the total amount due for services, the method of calculation of said amount, and the total expenses incurred and recorded by ATTORNEY in the course of rendering services. The full amount set forth in such statement shall be due and payable upon receipt.

(b) Payment of Costs Incurred. Not all expenses incurred during a month will be recorded during such month and, as a result, expenses incurred during a particular month may not appear on the billing statement for that month. CLIENT shall pay expenses incurred by ATTORNEY, whenever such expenses are billed to CLIENT.

(c) Interest Charges. Interest will be charged on any fees, costs and disbursements which remain unpaid after thirty (30) days from date of ATTORNEY'S invoice therefor and which were not disputed in a writing setting forth the specific exceptions within twenty (20) days of CLIENT'S receipt of the billing statement. Interest will be calculated by multiplying the unpaid balance (fees, costs and disbursements) by the periodic rate of .833% per month. The unpaid balance will bear interest until paid.

(d) Payment for Outside Services. ATTORNEY may direct person(s) or entity(s) supplying materials or services in connection with the legal services provided to CLIENT pursuant to this Agreement to bill CLIENT directly for such materials and services or may submit bills from suppliers directly to CLIENT for payment. CLIENT shall pay all such amounts promptly.

(e) Payment by Third Parties. In the event an insurance carrier, surety, guarantor or other person ("PAYER") agrees to pay all or part of CLIENT'S monthly statements, CLIENT shall remain primarily liable for each such statement and shall immediately pay the same upon seven (7) days' notice from ATTORNEY if the statement is not paid in full by such PAYER in accordance with this Paragraph 4. Absent ATTORNEY'S agreement in writing, no act or omission by PAYER or ATTORNEY shall restrict or otherwise reduce or eliminate CLIENT'S primary responsibility under this Agreement for all amounts reflected in such statements.

(f) Trust Funds/Deposits. Any objection by CLIENT to ATTORNEY'S monthly billing statement must be presented to ATTORNEY in writing within twenty (20) days of CLIENT'S receipt of the billing statement. After such twenty (20) day period, ATTORNEY may use any funds of CLIENT designated as deposits, trust funds or on account with ATTORNEY to pay any outstanding amounts owed by CLIENT to ATTORNEY.

5. Independent Contractor. In providing services pursuant to this Agreement, ATTORNEY shall not constitute an employee of CLIENT, but shall be deemed an independent contractor with full rights to manage its own employees and to determine the means, methods and manner of providing services under this Agreement. All persons employed by ATTORNEY in connection with this Agreement shall be employees of ATTORNEY and not employees of CLIENT in any respect.

6. Client Responsibilities. CLIENT agrees to cooperate with ATTORNEY'S reasonable requests during ATTORNEY'S representation of CLIENT, to respond promptly to inquiries by ATTORNEY, to assist in preparation of the case, including, but not limited to, in responding to discovery requests, to notify ATTORNEY promptly upon CLIENT'S change of address and/or phone number, to keep ATTORNEY apprised of CLIENT'S contact information, and to pay all bills when due.

7. Termination.

(a) Termination by CLIENT. CLIENT may terminate this Agreement at any time and with or without cause by giving ATTORNEY written notice, which shall be effective immediately, unless stated otherwise in such notice. From the date of tender or receipt of the notice of termination, ATTORNEY shall limit the provision of services to those services specifically requested by CLIENT to complete the work then underway and/or services required to effect the withdrawal of or substitution for ATTORNEY as counsel, provided that ATTORNEY has received adequate assurance that all fees and expenses shall be paid by CLIENT in full upon termination.

(b) Termination by ATTORNEY. ATTORNEY may terminate this Agreement, with CLIENT'S consent or for good cause. Good cause includes, but is not limited to, CLIENT'S breach of this Agreement, refusal to cooperate or to follow ATTORNEY'S advice on a material matter or any fact or circumstance that would render ATTORNEY'S continuing representation unlawful or unethical. Written notice of termination for good cause will be mailed to CLIENT at the address set forth below, at least five (5) business days prior to the desired termination date.

(c) Reimbursement on Termination. CLIENT shall reimburse ATTORNEY for fees and expenses arising out of any application for permission to withdraw or substitute out as counsel in any matter in which ATTORNEY is then appearing as counsel for CLIENT. If permission to withdraw or substitute out is denied, CLIENT shall continue to compensate ATTORNEY for fees and expenses as set forth herein.

(d) Payment of Fees on Termination. CLIENT shall pay for all fees earned and expenses incurred by ATTORNEY pursuant to this Agreement prior to and following the date of termination.

8. Notices. Any notice or other communication to either party hereto shall be personally delivered to the party or sent by first class, registered, or certified mail with postage fully prepaid, and addressed to CLIENT or to ATTORNEY at their respective addresses, set forth below, or to such other address as either party may from time to time designate by written notice to the other given in accordance with this paragraph.

9. Email Communications. ATTORNEY does not encrypt email and other electronic media communications to its clients except as required by federal and state law and regulation. By signing this Agreement, CLIENT acknowledges that ATTORNEY does not, unless as noted above, encrypt such communications and waives any right to encrypted communications.

10. Waiver. No waiver of any of the provisions of this Agreement shall be effective unless such waiver is in writing and signed by the party or parties to be bound. No notice to or demand on either party shall entitle it to any other or further notice or demand in similar or other circumstances.

11. Amendments and Integration. The parties agree that all changes or modifications hereto shall be in writing and signed by both parties. This Agreement constitutes the entire agreement between the parties. If at any time CLIENT makes requests for services outside the scope set forth in Section 1, and in the absence of any other written agreement applying to such additional services, the provisions of this Agreement, including without limitation, the fee schedule attached as Exhibit A, as modified from time to time, shall apply thereto.

12. Retention of Documents. In the course of ATTORNEY'S representation of CLIENT, ATTORNEY is likely to come into possession of various documents and materials which California law recognizes are CLIENT'S papers and property. Such papers and property may include correspondence, pleadings, deposition transcripts, exhibits, physical evidence, expert's reports, and other items reasonably necessary to the representation. Upon the

termination or conclusion of ATTORNEY'S representation with respect to the matter to which such CLIENT papers and property relate, upon the written request of CLIENT, ATTORNEY shall promptly turn over to CLIENT or to another counsel identified by CLIENT such papers and property. In the event of any such termination or conclusion, ATTORNEY shall be entitled to retain a copy of any records or files relating to such matter. If CLIENT does not make such a request within six (6) months after the conclusion of the matter to which such papers and property relate, then ATTORNEY may destroy or discard such papers and property according to ATTORNEY'S normal document retention procedure.

13. Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without giving effect to California's choice of law rules.

14. Arbitration. We look forward to a mutually enjoyable relationship with you. However, lawyers must provide for the unanticipated. Therefore:

(a) Any controversy between the parties regarding the construction, application or performance of any services under this Agreement, and any claim arising out of or relating to this Agreement, its breach, including but not limited to a claim of legal malpractice, or breach of fiduciary duty, shall be submitted to binding arbitration upon the written request of one party after the service of that request on the other party. The parties shall appoint one (1) person to hear and determine a dispute. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures. The cost of the arbitration, excluding legal fees and costs, shall be born by the losing party or in such proportion as the arbitrator shall decide. The parties shall bear their own legal fees and costs. The sole and exclusive venue for the arbitration shall be Sacramento County, California.

(b) Notwithstanding subparagraph (a), in any dispute solely related to attorneys' fees, charges, costs or expenses, CLIENT has a right to elect arbitration pursuant to the fee arbitration provisions of the State Bar of California, as set forth in California Business and Professions Code section 6200 et seq. Those procedures permit a trial after arbitration, unless the parties agree in writing, after the dispute has arisen, to be bound by the arbitration award. However, if CLIENT elects non-binding arbitration pursuant to the fee arbitrations of the State Bar of California and either CLIENT or ATTORNEY rejects the arbitrator's award, the dispute over fees, charges, costs or expenses shall be resolved by binding arbitration as provided in paragraph (a) above. If, after receiving a notice of CLIENT'S right to arbitrate, CLIENT does not elect to proceed under the State Bar arbitration procedures and file a request for fee arbitration within thirty (30) days, any dispute solely over fees, charges, costs or expenses shall be resolved by binding arbitration as provided in paragraph (a) above. The sole and exclusive venue for the arbitration shall be Sacramento County, California.

(c) Any pleadings, papers or other documents relating to the subject matter of this paragraph, including, but not limited to, initiation of any arbitration proceedings or confirmation of an arbitration award, may be served, in lieu of personal delivery, by deposit in the United States mail, or by deposit in a business facility used for collection and processing of correspondence for mailing with the United States Postal Service, pursuant to Code of Civil

Procedure Section 1013a(3), postage paid, addressed to the person on whom it is to be served at his or her address as last given.

(d) BY INITIALING BELOW, CLIENT ACKNOWLEDGES THAT CLIENT IS AWARE THAT BY SIGNING THIS AGREEMENT AND AGREEING TO ARBITRATE CLIENT WAIVES ANY RIGHT TO HAVE A COURT OR JURY TRIAL AND THE RIGHT TO APPEAL WITH RESPECT TO ANY MALPRACTICE CLAIM, BREACH OF FIDUCIARY DUTY CLAIM, BREACH OF CONTRACT CLAIM OR OTHER CLAIM ARISING OUT OF THE ATTORNEY CLIENT RELATIONSHIP FORMED PURSUANT TO THIS AGREEMENT INCLUDING A DISPUTE SOLELY RELATED TO THE AMOUNT OF LEGAL FEES OR COSTS OWING OR CLAIMED.

  
\_\_\_\_\_  
CLIENT Initials

15. Authority. Each person whose signature appears below represents that such person is duly authorized to enter into this Agreement on behalf of the party indicated below.

16. Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. This Agreement may be executed via facsimile or by a scanned document emailed to the other Party. Facsimile signatures or electronic scans of signatures shall constitute originals for any and all purposes herein.

**NOTHING IN THIS AGREEMENT AND NOTHING IN OUR STATEMENTS MAY BE CONSTRUED AS A PROMISE OR GUARANTEE ABOUT THE OUTCOME OF YOUR MATTER. WE MAKE NO PROMISES OR GUARANTEES OF ANY PARTICULAR OUTCOME OR RESULT IN YOUR MATTER AND ANY COMMENTS MADE BY US ABOUT THE POTENTIAL OUTCOME OF THIS MATTER ARE EXPRESSIONS OF OPINION ONLY. IF A PARTICULAR OUTCOME OR RESULT IS NOT OBTAINED, THAT DOES NOT RELIEVE YOU OF YOUR OBLIGATION TO PAY IN FULL FOR THE SERVICES WE RENDER AND THE COSTS WE INCUR ON YOUR BEHALF.**

**CLIENT ACKNOWLEDGES THAT BEFORE SIGNING THIS AGREEMENT CLIENT IS ENTITLED TO, AND HAS BEEN GIVEN, A REASONABLE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT COUNSEL TO REVIEW THIS ENTIRE AGREEMENT.**



**Exhibit A to Agreement for Legal Services**

**Re: Humboldt County /  
Construction Matters**

**September 6, 2018**

**GENERAL DESCRIPTION OF MATTER**

The general nature of the matters for which legal services are to be provided by Murphy Austin Adams Schoenfeld LLP pursuant to the Agreement are the following:

Provide advice on general construction matters

**SCHEDULE OF RATES**

Our customary fees are based on time expended. Our current hourly fee rates range from \$130.00 to \$615.00, depending on the experience of the lawyers, paralegals and document technicians performing the work, the difficulty of the work, the time demands on the firm, the results produced and other factors. We reserve the right from time to time to adjust our hourly fee rates.

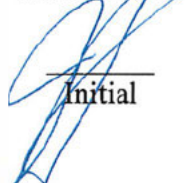
We anticipate that the following individuals having the current hourly fee rates besides such individuals' names will be primarily involved in this matter:

<u>Individual</u>	<u>Title</u>	<u>Hourly Billing Rate</u>
V. Blair Shahbazian	Partner	\$360.00
J. Scott Alexander	Partner	\$330.00
Brooke E. Washburn	Associate	\$295.00
Monica M. Espejo	Associate	\$295.00
Lisa F. Bettencourt	Paralegal	\$235.00

**INITIAL DEPOSIT**

The amount of the initial deposit referred to in Paragraph 3(f) of the Agreement is \$0.00. CLIENT hereby agrees to replenish this deposit in full within fifteen (15) days from receipt of ATTORNEY'S invoice.

ATTORNEY



Initial

CLIENT



Initial