

**MOUNTAIN HOUSE COMMUNITY SERVICES DISTRICT
CONTRACT FOR PROFESSIONAL SERVICES**

This Contract is made this 12th day of August, 2008, by and between Mountain House Community Services District, a community services district formed under the California Community Services District Law, (hereinafter called "MHCS D"), and Neumiller & Beardslee, a professional corporation (hereinafter called "Attorney").

1. Retention of Attorney. MHCS D hereby retains Attorney effective December 5, 2008 to perform the duties of Attorney, as General Counsel for MHCS D, on the terms and conditions specified herein. Attorney hereby agrees to perform the duties of General Counsel for MHCS D, on the terms and conditions specified herein.

2. Duties to be Performed. Attorney, in the person Michael F. McGrew, shall perform all the normal and usual duties of Attorney and General Counsel for MHCS D and shall serve as chief legal advisor to MHCS D, except:

A. When, in the opinion of MHCS D, it would be more appropriate to hire outside specialist counsel. In such event, Attorney shall assist MHCS D in selecting such outside specialist counsel. Such outside specialist counsel may serve in lieu of Attorney on any particular matter, or may assist Attorney; or,

B. When counsel for MHCS D is otherwise provided, as in the case of counsel provided by insurers in connection with various insurance policies held by MHCS D; or,

C. When a conflict exists such that Attorney is prohibited by law or rules of professional conflict from representing or advising MHCS D. In the event of certain conflicts, Paragraph 7 below shall apply.

3. Specific Attendance at Meetings. Attorney shall, in person of Michael F. McGrew (except that Attorney with the consent of the General Manager retains the right, in the event of irreconcilable schedule conflicts or absence of Michael F. McGrew, to substitute another principal or associate of Attorney), attend meetings of MHCS D,

4. Term. This Contract shall commence December 5, 2008 and shall continue indefinitely, except that MHCS D may terminate this Contract, at any time, with or without cause, by written notice to Attorney, and shall have no liability for such termination except for services performed prior to termination. Attorney may terminate this Contract, at any time, by written notice to MHCS D at least thirty (30) days prior to termination, and shall have no liability for such termination.

5. Compensation. MHCS D shall pay Attorney for services performed and on the following basis:

A. For actual hours worked, including travel time, MHCS D shall pay Attorney \$235.00 per hour for time worked by principals of Attorney, \$195.00 per hour for time worked by associates of Attorney, and \$95.00 per hour for time worked by law clerks or paralegals of Attorney, all in minimum units of one-tenth (1/10) hour. For matters of litigation, MHCS D shall pay Attorney the fees set forth in Attorney's then current standard fee schedule.

B. MHCS D shall pay Attorney within ninety (90) days of receipt of any statement from Attorney. Attorney shall bill monthly, with an itemized bill, sufficient to show services performed, person performing them, and charges, in a form specified by MHCS D.

C. MHCS D further agrees to reimburse Attorney for out-of-pocket expenses incurred by Attorney in performing services for MHCS D including, but not limited to, copying costs, long-distance telephone calls, and mileage at \$.70 per mile. For single expenses in excess of \$250.00, MHCS D agrees to reimburse the provider thereof directly.

D. Attendance by Attorney at courses, seminars or conventions, unless specifically requested by MHCS D, shall be at Attorney's sole expense.

E. The rates specified in this Paragraph shall remain in effect until modification or termination of Contract, whichever is earlier.

6. **Status.** Attorney is an independent contractor, and neither Attorney nor any individuals employed by Attorney is or shall be an employee of MHCS D. Neither Attorney nor any individual employed by Attorney shall receive or be entitled to receive retirement or pension benefits, Public Employees Retirement System benefits, workers' compensation insurance coverage, health insurance coverage, or any other benefit from MHCS D except the compensation specified in Paragraph 5 above. Attorney shall maintain its own workers' compensation and malpractice insurance in accordance with California law.

7. **Conflict.** In the event any individual employed by Attorney shall represent any person appearing before, or negotiating with, MHCS D, Attorney shall be entitled to continue such representation except where Attorney or any employee of Attorney has knowledge of confidential information relating to the matter for which such representation is being made (obtained in the performance of duties as MHCS D Attorney), and except neither Attorney nor any employee of Attorney shall prosecute a claim or lawsuit against, or defend a lawsuit brought by MHCS D against such other person. In the event such representation occurs, and neither of the exceptions in this Paragraph 7 apply, Attorney shall withdraw from representation of MHCS D for that matter, and MHCS D shall, if it so chooses, engage legal representation of its own choice for that matter. In the event such representation occurs, and either or both of the exceptions in this Paragraph 7 apply, Attorney shall withdraw from representations of both MHCS D and such other person.

8. **Provision of Material.** MHCS D shall provide Attorney, at MHCS D's sole cost and expense, agendas, notices, reports, and all other materials necessary to enable Attorney to carry out the duties of MHCS D Attorney.

