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**ATTORNEY-CLIENT COMMUNICATION  
PRIVILEGED AND CONFIDENTIAL**

June 22, 2020

**Via E-Mail**

Dave Stoldt  
Monterey Peninsula Water Management  
District  
P.O. Box 85  
Monterey, CA 93942-0085

Re: Legal Retainer Agreement

Dear Dave:

This letter sets forth the terms under which Shute, Mihaly & Weinberger LLP (“Firm”) will provide legal services to the Monterey Peninsula Water Management District (“Client”) in connection with Pure Water Monterey. If you agree to the terms of this retainer agreement (“Agreement”), please sign one copy of this letter and return it to me at your earliest convenience. The second copy of this letter is for your files.

**1. Legal Services to Be Provided**

The Firm is retained to provide Client the following legal services: develop and implement strategy for completing and certifying the environmental review of the expansion of the Pure Water Monterey groundwater replenishment project.

**2. Legal Fees, Costs and Billing Practices**

The Firm’s hourly billing rates for these services will be as follows:

**EXHIBIT 3-A**

**ATTORNEY-CLIENT COMMUNICATION  
PRIVILEGED AND CONFIDENTIAL**

Dave Stoldt, MPWMD

June 22, 2020

Page 2

Partner	\$390
Associate III	\$345
Associate II	\$325
Associate I	\$280
Planner	\$250
Paralegal	\$150
Law Clerk	\$100

Fees will be charged in increments of one-tenth of an hour. The Firm will annually increase these billing rates consistent with any annual increase in the Consumer Price Index (October over October time period) for All Urban Consumers (not seasonally adjusted) San Francisco-Oakland-Hayward area (1982-1984 = 100) as published by the Bureau of Labor Statistics, U.S. Department of Labor, rounded to the nearest whole \$. The Firm will implement the increase each year on January 1<sup>st</sup>, or as soon thereafter as the CPI information is published. If Client declines to pay for the Firm's services at any increased rates, the Firm will have the right to withdraw as Client's attorneys. The Firm has errors and omissions insurance coverage applicable to the services being provided under this Agreement.

Client will also reimburse Firm for costs incurred in the course of representation, including fees fixed by law or assessed by public agencies, long-distance telephone, facsimile, messenger services, postage, photocopying, and charges for electronic legal research time. In the event of out of town travel, Client agrees to pay all transportation costs, lodging, parking, and meals, as well as the hourly rates for attorney travel time. The Firm will provide detailed monthly billing statements for fees and costs incurred. Client agrees to pay the Firm's billed costs and fees within thirty (30) days following billing.

Firm will inform Client when cumulative billing approaches \$15,000, and will not bill more than that amount without Client's consent.

**3. Authorized Representative of Client**

Client designates Dave Stoldt as the authorized representative to direct the Firm and to be the primary person to communicate with the Firm regarding the subject matter of this Agreement. This designation is intended to establish a clear line of authority and to minimize potential uncertainty, but not to preclude communication

**ATTORNEY-CLIENT COMMUNICATION  
PRIVILEGED AND CONFIDENTIAL**

Dave Stoldt, MPWMD

June 22, 2020

Page 3

between the Firm and other representative of Client. Unless directed otherwise by Client, all correspondence and bills will be directed to the designated authorized representative.

**4. Discharge and Withdrawal**

Client may discharge the Firm at any time by providing written notice to the Firm, which is effective upon receipt by the Firm. In the event of such discharge, if the Firm is Client's attorney of record in any proceeding, the Firm will promptly provide Client with a substitution of attorney form. Client will execute and return the substitution of attorney form immediately upon receipt from the Firm.

The Firm may withdraw at any time as permitted under the Rules of Professional Conduct of the State Bar of California. A valid reason for withdrawal by the Firm would include, but not be limited to, Client's consent, Client's breach of this Agreement, Client's failure to pay fees and costs as provided in this Agreement, Client's conduct renders it unreasonably difficult for the Firm to carry out the representation effectively, or any fact or circumstances that would render the Firm's continuing representation unlawful or unethical. At such time as the Firm's services conclude, all unpaid fees for legal and related services and costs and expenses will immediately become due and payable.

**5. Case File**

After the Firm's services conclude, the Firm will, upon Client's request, deliver the file for this matter to Client. If Client does not request the file for this matter, the Firm will retain it for a period of five years after the matter is closed. If Client does not request delivery of the file for this matter before the end of the five-year period, the Firm will have no further obligation to retain the file and may, at the Firm's discretion, destroy it without further notice to Client. At any point during the five-year period, Client may request delivery of the file. If Client so requests, paper copies of original documents (or the originals themselves) will be provided free of charge. Client agrees to pay for any additional fees or costs incurred to produce electronic files, if Client requests those files.

**ATTORNEY-CLIENT COMMUNICATION  
PRIVILEGED AND CONFIDENTIAL**

Dave Stoldt, MPWMD

June 22, 2020

Page 4

**6. No Guarantee**

Nothing in this Agreement and nothing in the Firm's statements to Client will be construed as a promise or guarantee about the outcome of this matter. The Firm makes no such promises or guarantees.

**7. Conflicts Waiver**

Please be advised that our Firm represents public agencies and private organizations in land use and environmental matters throughout California. Accordingly, it is agreed, and you hereby consent, that our attorney-client relationship with you in this matter will not serve as a basis for the Firm's disqualification from representing other clients or parties in any legal proceedings, cases, controversies, or matters, other than those in which we represent you, except if and to the extent absolutely and non-waivably required by the Rules of Professional Conduct.

This Agreement will be effective when it is signed by you. However, this Agreement will apply to any services we may provide in connection with the engagement before the effective date.

We look forward to working with you on this matter. If this Agreement is satisfactory, please execute one of the enclosed copies and return it to me. The other copy is for your records.

Very truly yours,

SHUTE, MIHALY & WEINBERGER LLP



Gabriel M.B. Ross

**EXHIBIT 3-A**

**ATTORNEY-CLIENT COMMUNICATION  
PRIVILEGED AND CONFIDENTIAL**

Dave Stoldt, MPWMD

June 22, 2020

Page 5

ACCEPTED AND AGREED:

David Stoldt, Monterey Peninsula Water  
Management District

Name

David Stoldt

Title

General Manager

Date

6-23-20

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