

LEGAL SERVICES AGREEMENT

(Bus. & Prof. Code, § 6148)

THIS AGREEMENT is entered into as of July 5, 2023 by and between KLEIN, DeNATALE, GOLDNER, COOPER, ROSENLIEB & KIMBALL, LLP, a California limited liability partnership (the “Attorney”), and SEASIDE GROUNDWATER BASIN WATERMASTER (“Client”).

RECITALS

A. The Client desires to employ the Attorney to perform the Services and the Attorney is agreeable to that employment.

B. Business and Professions Code section 6148(a) provides, among other things, that where it is foreseeable that the total expenses to a client will exceed \$1,000, an agreement for legal services must be in writing and contain (1) the applicable hourly rate and other standard rates, fees and changes, (2) the general nature of the legal services to be provided, and (3) the respective responsibilities of the Attorney and the Client.

C. Rule 3.410(A) of the Rules of Professional Conduct provides that where it is foreseeable that the total amount of legal representation in a matter will exceed four hours, a disclosure in writing that the attorney does not maintain professional liability insurance must be made at the time of engagement if the attorney does not maintain that insurance.

D. The total expense to the Client may exceed \$1,000 and the total amount of legal representation may exceed four hours with respect to the Attorney’s performance of the Services.

AGREEMENT

1. Definitions.

(a) Attorney. “Attorney” means KLEIN, DeNATALE, GOLDNER, COOPER, ROSENLIEB & KIMBALL, LLP, a California limited liability partnership.

(b) Attorney’s Address. “Attorney’s Address” means 10000 Stockdale Hwy., Suite 200, Bakersfield, California 93311.

(c) Attorney’s Work Product. “Attorney’s Work Product” means the Attorney’s informal impressions, conclusions, opinions, legal research and theories.

(d) Client. “Client” means SEASIDE GROUNDWATER BASIN WATERMASTER.

(e) **Client's Address.** "Client's Address" means P.O. Box 51502, Pacific Grove, CA 93950 for delivery of material in paper form and watermasterseaside@sbcglobal.net for delivery of material in electronic form.

(f) **Client's Documents.** "Client's Documents" means the documents provided to the Attorney by the Client.

(g) **Rates.** "Rates" means the Attorney's hourly rates ranging from \$375 for attorneys with ten or more years' experience, \$345 for attorneys with more than five years' experience, \$300 for attorneys with less than five years' experience.

(h) **Services.** "Services" means all general counsel legal services and legal advice as requested by the Client.

2. Employment of Attorney.

The Client hereby employs the Attorney to perform the Services and the Attorney hereby accepts that employment subject to the provision of this Agreement. Portions of the work in performance of the Services may be performed by different lawyers and legal assistants in the Attorney's law firm. This delegation of work will be for the purpose of involving lawyers or legal assistants with special expertise in a given area, or for the purpose of providing the Client with the Services in the most efficient and timely manner. The Attorney is not obligated to perform any portion of the Services that, in the Attorney's judgment, would constitute a conflict of interest or other violation of the Attorney's ethical duties under the Rules of Professional Conduct of the State Bar of California or similar mandate governing the Attorney's conduct.

This Agreement governs only the Client's employment of the Attorney and the Attorney's representation of the Client. The Attorney's representation of the Client does *not* include representation of any party affiliated with Client, including (a) parent, related or subsidiary entities of the Client, or (b) persons related to the Client.

This Agreement will become effective upon its full execution by both the Attorney and the Client. It will then relate back to the first day that the Attorney provided the Services to the Client.

3. Cooperation of Client.

The Client shall be candid and truthful with the Attorney as well as responsive to the Attorney's communications. The Attorney may rely upon the Client to promptly advise the Attorney of any changes in circumstances that will affect the Services or the Attorney's ability to perform them. The Client shall keep the Attorney advised of any changes in the Client's Address, current telephone number or e-mail address at all times, and shall comply with all reasonable requests of the Attorney in connection with the Attorney's performance of the Services.

The Client shall promptly disclose to the Attorney, in writing, all persons and entities that may have an interest, both adverse and non-adverse, in the matter that is the subject of the Services so that the Attorney can avoid conflicts of interest.

4. **Payment of Fees and Costs.**

(a) **Attorney's Fees.** The Client shall pay fees to the Attorney for time spent in performance of the Services at the applicable Rates. The Attorney may charge the Client for all time devoted by the Attorney to the Client's work, including conferences (both in person and over the telephone), e-mail communications with the Client and others, negotiations, factual investigations, legal research and analysis, document preparation and revision, and travel on the Client's behalf. All travel time and costs will be determined using the Attorney's office in Bakersfield, California as the point of origin. Time will be recorded and billed in units of tenths of an hour. Rates may be supplemented or revised by the Attorney from time-to-time but revised Rates will not be retroactively applied. The Attorney shall notify the Client in writing of any revised Rates prior to their effective date. The applicable rates will be those in effect at the time Services are rendered.

(b) **Costs.** The Client shall pay all reasonable and necessary extraordinary costs incurred by the Attorney in connection with the Services including:

(1) Automobile travel at the then current IRS rate per mile plus any parking expenses.

(2) The cost of any consultants, experts or investigators retained by the Attorney in furtherance of the Services.

Costs are *in addition to* fees for the Services. The Attorney incurs outside costs as an agent for the Client and incurs internal expenses on behalf of the Client. The Attorney may forward costs in excess of \$250 to the Client for direct and timely payment by the Client.

(c) **Statements.** The Attorney shall provide the Client with a monthly statement of fees earned and costs incurred. This statement will generally describe the work performed, the applicable Rate or Rates, the basis for the calculation of fees, and a reasonable itemization of costs.

(d) **Estimates.** It is impossible to determine in advance the amount of time that will be needed to complete the Services, or the total amount of fees or costs that may be incurred. Any estimate furnished by the Attorney will be based on the Attorney's professional judgment, but the Client acknowledges that such estimate is *not* a maximum or fixed fee quotation. The ultimate fee and cost may, and frequently does, differ from the amount estimated.

(e) **Payment.** The Client shall pay all statements for fees earned and costs incurred upon presentation of a statement. As the Attorney receives each payment, the Attorney will apply the payment first to costs and last to fees. For a proper attorney-client relationship to exist and be successful, the Client

acknowledges that the Client must pay the Attorney's legal fees and costs promptly and in accordance with this Agreement. Only in this way can the Attorney and the Client maintain the mutual confidence in each other that is necessary for the proper representation of the Client. If the Client becomes delinquent in the Client's obligation to make any required payments to the Attorney, then the Attorney may (a) withdraw from representation of the Client, (b) cease performance of the Services, and (c) pursue collection of the Client's account.

5. Errors and Omissions Insurance.

The Attorney does maintain errors and omissions insurance coverage applicable to the Services.

6. Employment of Consultants, Experts and Investigators.

If the Attorney deems it appropriate to employ a consultant, expert or investigator in connection with the performance of the Services, then the Attorney shall so advise the Client and seek the Client's prior approval of such employment. Any consultants, experts or investigators employed by the Attorney will be the agent of the Attorney, not the Client.

7. Notices.

Any notices to be given by either party to the other affecting this Agreement must be given in paper form and delivered in person or by registered or certified mail, postage pre-paid, addressed to the Attorney at the Attorney's Address or to the Client at the Client's Address. Either party may from time-to-time, by written notice to the other, designate a different address which will be substituted for the one specified in paragraph 1 of this Agreement.

8. Documents.

During the course of the Services, the Attorney will acquire documents from the Client (i.e., Client's Documents), and also will create Attorney's Work Product and other documents. Attorney's Work Product is the property of the Attorney and the Client is not entitled to obtain Attorney's Work Product from the Attorney except as otherwise provided by law. The Client may inspect and copy any other documents created by the Attorney during the Attorney's normal business hours and at the Client's sole cost and expense. Upon conclusion of the Services, the Client is entitled to the Client's Documents. The Attorney is entitled, however, to photocopy or electronically scan, and retain copies of the Client's Documents prior to their return to the Client.

9. Electronic Files.

The Attorney may maintain some or all of the documents and records in the Client's file solely in electronic form as digital images rather than in paper form. In so doing, the Attorney may destroy documents and records received by the Attorney in paper form after they have been scanned electronically and converted to digital images. The Attorney will not destroy; however, any of the Client's Documents in paper form, although the Client does consent to their conversion

to electronic form for the Attorney's use. The Attorney may deliver to the Client documents in the electronic form in which they are maintained if the Client requests transfer or a copy of either the Client's file, or any document or record in the Client's file. The Attorney will not be obligated under any circumstances to convert electronic documents or records (a) to paper form or (b) to an electronic form other than the one in which the Attorney maintains the document or record.

10. File Retention.

The Attorney shall store the Client's file following conclusion of the Services. The Attorney will then make arrangements with the Client for transfer of the Client's entire file (both electronic form and paper form) as directed by the Client.

11. Termination.

The Attorney or the Client is entitled to terminate this Agreement. Termination of this Agreement will not affect the Client's obligations to pay for all fees earned and costs incurred by the Attorney prior to the date this Agreement terminates. Additionally, time spent by the Attorney resulting from termination of this Agreement and withdrawal from representation of the Client (e.g., preparing the Client's files for transfer and working with successor counsel) is deemed part of the Services, for which the Client shall pay the Attorney.

Upon cessation of the Services, either by conclusion of the Services or earlier termination of this Agreement, the Attorney will have no further obligation to inform the Client of future developments or changes in the law. Additionally, the Attorney will have no obligation to monitor renewal or notice dates, or similar deadlines on the Client's behalf.

12. Arbitration.

In the event of a fee dispute which is not readily resolved, the Client is entitled to request arbitration by the Monterey County Bar Association, and the Attorney shall participate fully in that process.

13. Entire Agreement.

This Agreement supersedes any and all other agreements, either oral or in writing, between the Attorney and the Client with respect to the subject matter of this Agreement. Each party acknowledges that no representations, inducements, promises, or agreements have been made by or on behalf of any party except those covenants and agreements contained in this Agreement. No agreement, statement or promise not contained in this Agreement will be valid and binding.

14. Venue and Law.

The venue for any dispute arising from this Agreement will be Monterey County, California. This Agreement is entered into in Corcoran, California, and is subject to the laws of the State of California.

15. Counterpart and Electronic Signatures.

This Agreement may be signed in one or more counterparts and may be delivered by facsimile or other electronic method.

16. Consultation with Independent Counsel.

The Attorney has not provided the Client with legal advice with respect to this Agreement due to the Attorney’s conflict of interest in doing so. The Client acknowledges the opportunity to seek and consult independent counsel of the Client’s choice regarding this Agreement.

IN WITNESS WHEREOF, the Attorney and the Client have executed this Agreement on the day and year first hereinabove set forth.

KLEIN, DeNATALE, GOLDNER, COOPER,
ROSENLIEB & KIMBALL, LLP

SEASIDE GROUNDWATER BASIN
WATERMASTER

By: _____
Joseph D. Hughes, Partner

By: Ian N. Oglesby

Name: Ian Oglesby

Title: President of the Board

“Attorney”

“Client”