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AGREEMENT FOR LEGAL SERVICES

THIS AGREEMENT is made and entered into this ____ day of September, 2017, (this “Agreement”) by and between the TULARE LOCAL HEALTHCARE DISTRICT, a local healthcare district organized under the Provisions of Division 23 of the California Health and Safety Code, hereinafter referred to as “DISTRICT”, and the law firm of McCORMICK, BARSTOW, SHEPPARD, WAYTE & CARRUTH, LLP, a California limited liability partnership, hereinafter referred to as “ATTORNEY;”

W I T N E S S E T H:

WHEREAS, the DISTRICT has terminated its prior general counsel, Baker Hostetler, and has the need for interim general counsel to advise and represent the on legal matters;

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions herein continued, the parties hereto agree as follows:

1. Engagement of ATTORNEY: DISTRICT hereby engages ATTORNEY as an interim general counsel through the services of the following key persons: Timothy L. Thompson, Mandy L. Jeffcoach, and Nikole E. Cunningham, members of ATTORNEY; and such other members of, and associate attorneys and staff employed by said firm, as ATTORNEY deems necessary.

2. Performance by Attorney: ATTORNEY agrees to timely perform all services provided under this Agreement. ATTORNEY agrees to avoid unnecessary duplicative efforts on the part of ATTORNEY and ATTORNEY’s members, associate lawyers, and staff in ATTORNEY’s performance of services for DISTRICT hereunder. In the performance of the tasks under this Agreement, ATTORNEY shall provide only those services which are necessary to carry out such tasks in an efficient and effective manner.

3. Compensation of ATTORNEY: DISTRICT shall be obligated to compensate ATTORNEY pursuant to the terms and conditions of this Agreement. DISTRICT agrees to pay and ATTORNEY agrees to accept as full compensation for performance of tasks under this Agreement the following sums per hour per person:

1	Timothy L. Thompson, Esq.	\$375 per hour
2	Mandy L. Jeffcoach, Esq.	\$325 per hour
3	Nikole E. Cunningham, Esq.	\$300 per hour
4	Partner Attorney	\$300 per hour
5	Associate Attorneys	\$200 per hour

6 The foregoing lawyers may, from time to time, consult with such of ATTORNEY’s other
7 lawyers on a “limited basis” as ATTORNEY reasonably deems prudent and necessary under the
8 circumstances, and ATTORNEY may also, upon the written approval of DISTRICT, provide
9 additional members of, or associate lawyers employed by its firm to perform significant services
10 under this Agreement, provided that such additional persons who are consulted or who provide
11 significant services are compensated by DISTRICT for performance of tasks under this Agreement
12 at a rate not to exceed each such person’s customary billing rate per hour for local governmental
13 entities. Notwithstanding anything stated to the contrary in this paragraph, the term “limited basis,”
14 as provided herein shall mean fifteen (15) hours or less worked per month or fraction thereof.

15 In addition, ATTORNEY shall be reimbursed for reasonable, and necessary out-of-pocket
16 expenses, as follows: telephone charges; telephonic facsimile transmission charges; computer
17 research charges; filing fees; courier charges; postage charges; printing and photographic
18 reproduction expenses; in-State travel; expert consultants; and all such directly-related expenses.

19 It is understood that ATTORNEY shall not be reimbursed for its secretarial or clerical
20 services (including overtime hours worked), or normal office operating expenses, with the
21 exception of those charges and expenses stated in the immediately preceding paragraph of this
22 Agreement. In addition, ATTORNEY shall not be reimbursed for such services performed or
23 expenses incurred, regardless of whether such tasks are performed or expenses are incurred by
24 ATTORNEY’s members, associate lawyers, or anyone else.

25 DISTRICT shall compensate ATTORNEY for certain services of its paralegals at the rate
26 of One Hundred Twenty Five Dollars (\$125.00) per hour. In addition, under no circumstances
27 shall DISTRICT compensate ATTORNEY for secretarial or clerical work performed by paralegals.

1 4. Payment and Record-keeping: Subject to paragraph 3 hereof, payment of compensation
2 for the services provided under this Agreement and reimbursement for related, reasonable and
3 necessary, out-of-pocket expenses incurred shall be made by DISTRICT after submission of an
4 itemized invoice by ATTORNEY to DISTRICT not later than the thirtieth (30th) day following the
5 end of the month in which such services were rendered or expenses incurred. All payments of
6 compensation and reimbursement for expenses incurred in connection therewith shall be made by
7 DISTRICT no later than forty-five (45) days following the date that DISTRICT receives a properly
8 completed invoice requesting the payment for such services rendered and expenses incurred.

9 All of ATTORNEY's invoices accurately shall reflect the tasks performed by ATTORNEY
10 under this Agreement. In addition, all such invoices shall have sufficient detail as may be required
11 by DISTRICT's Auditor-Controller. In addition to the requirements of this paragraph 4, each
12 invoice shall set forth a summary of hours worked by each member, associate lawyer and staff for
13 the applicable billing period.

14 In preparing invoices, ATTORNEY shall document tasks performed on a daily basis.
15 ATTORNEY shall prepare its invoices in an organized manner that facilitates an efficient review
16 of the services performed and the expenses incurred in order to provide DISTRICT with a clear
17 and complete understanding of how much time was devoted to specific tasks, and the fees and cost
18 associated therewith.

19 ATTORNEY shall keep complete records of the services provided, as described in this
20 paragraph 4, together with all related reasonable and necessary, out-of-pocket expenses applicable
21 to the work provided under this Agreement. DISTRICT's Auditor-Controller, or his or her duly
22 authorized representatives, shall be given reasonable access to all of these records for the purposes
23 of audit of this Agreement.

24 In addition, ATTORNEY shall be subject to the examination and audit of such records by
25 the Auditor General for a period of three (3) years after final payment under this Agreement (Gov.
26 Code, § 8546.7).

27 5. Term of Agreement: This Agreement shall be effective as of July 27, 2017. This
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1 Agreement shall continue in full force and effect unless and until it is terminated by either or both
2 parties. Either party may terminate this Agreement at any time, either in whole or in part.
3 However, if ATTORNEY elects to terminate this Agreement, DISTRICT's rights under any
4 pending matter which may arise from ATTORNEY's services hereunder shall not be prejudiced
5 due to such termination as required by the Rules of Professional Conduct of the State Bar of
6 California. Subject to paragraph 3 hereof, ATTORNEY shall be paid for all services performed to
7 the date of termination of this Agreement, which are done to the reasonable satisfaction of
8 DISTRICT.

9 6. Independent Contractor: In performance of the work, duties and obligations assumed by
10 ATTORNEY under this Agreement, it is mutually understood and agreed that ATTORNEY,
11 including any and all of ATTORNEY's officers, agents, and employees will at all times be acting
12 and performing as an independent contractor, and shall act in an independent capacity and not as
13 an officer, agent, servant, employee, joint venturer, partner, or associate of DISTRICT.
14 Furthermore, DISTRICT shall have no right to control or supervise or direct the manner or method
15 by which ATTORNEY shall perform its obligations under this Agreement. However, DISTRICT
16 shall retain the right to administer this Agreement so as to verify that ATTORNEY is performing
17 its obligations in accordance with the terms and conditions thereof. ATTORNEY and DISTRICT
18 shall comply with all applicable provisions of law and the rules and regulations, if any, of
19 governmental authorities having jurisdiction over matters of the subject thereof.

20 Because of its status as an independent contractor, ATTORNEY shall have absolutely no
21 right to employment rights and benefits available to DISTRICT employees. ATTORNEY shall be
22 solely liable and responsible for providing to, or on behalf of, its employees all legally-required
23 employee benefits. In addition, ATTORNEY shall be solely responsible and save DISTRICT
24 harmless from all matters related to payment of ATTORNEY's employees, including compliance
25 with social security, withholding, and all other regulations governing such matters. It is
26 acknowledged that during the term of this Agreement, ATTORNEY may be providing services to
27 others unrelated to DISTRICT or to this Agreement.

1 7. Insurance: Without limiting DISTRICT's rights herein, or against any third parties,
2 ATTORNEY, at its sole expense, shall maintain in full force and effect the following insurance
3 policies throughout the entire term of this Agreement:

4 a. A policy of professional liability insurance with limits of coverage of not
5 less than One Million Dollars (\$1,000,000.00) per claim made, with a Three Million Dollars
6 (\$3,000,000.00) annual aggregate;

7 b. A policy of comprehensive general liability insurance with limits of
8 coverage of not less than One Million Dollars (\$1,000,000.00) per occurrence. (Such insurance
9 shall include automobile insurance coverage, provided however, if ATTORNEY maintains
10 comprehensive general liability insurance that does not cover a loss in connection with an
11 automobile, ATTORNEY shall also obtain and maintain automobile liability insurance coverage
12 with limits of coverage of not less than One Hundred Thousand Dollars (\$100,000.00) per person
13 and Three Hundred Thousand Dollars (\$300,000.00) per occurrence); and

14 c. A policy of workers compensation insurance as is required by the
15 California Labor Code, providing full statutory coverage.

16 In addition to its obligations set forth hereinabove, ATTORNEY agrees that it shall
17 maintain, at its sole expense, in full force and effect for a period of three (3) years following the
18 termination of this Agreement a policy of professional liability insurance with limits of coverage of
19 not less than One Million Dollars (\$1,000,000.00) per claim with a Three Million Dollars
20 (\$3,000,000.00) annual aggregate; provided, however, in event that ATTORNEY does not
21 maintain such policy of insurance for such entire three (3) year period, ATTORNEY shall
22 maintain, at its sole expense, in full force and effect extended claims reporting coverage insurance
23 in lieu thereof in the amount of not less than One Million Dollars (\$1,000,000.00) with a Three
24 Million Dollars (\$3,000,000.00) annual aggregate.

25 8. Agreement is Binding Upon Successors: This Agreement shall be binding upon
26 DISTRICT and ATTORNEY and their successors, executors, administrators, legal representatives,
27 and assigns with respect to all the covenants and conditions set forth herein.
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1 9. Assignment and Subcontracting: Notwithstanding anything stated to the contrary in
2 paragraph 8 hereof, neither party hereto shall assign, transfer, or sub-contract this Agreement nor
3 its rights or duties hereunder without the written consent of the other.

4 10. Amendments: This Agreement may only be amended in writing signed by the parties
5 hereto.

6 11. Conflict of Interest: ATTORNEY promises, covenants, and warrants that, after having
7 performed a reasonable investigation, the performance of its services and representation to
8 DISTRICT under this Agreement do not result in a “conflict of interest” as that term is used in the
9 Rules of Professional Conduct of the State Bar of California. In the event a “conflict of interest”
10 occurs, ATTORNEY will request DISTRICT’s Board of Directors to waive such “conflict of
11 interest” on a case-by-case basis.

12 12. Further Assurances by ATTORNEY: ATTORNEY represents that it has read and is
13 familiar with Government Code §§ 1090 et seq. and §§ 87100 et seq.. ATTORNEY promises,
14 covenants, and warrants that, after having performed a reasonable investigation, the performance
15 of its services under this Agreement shall not result in or cause a violation by it of Government
16 Code §§ 1090 et seq. and §§ 87100 et seq..

17 13. Compliance With Laws: ATTORNEY shall comply with all federal, state, and local
18 laws and regulations applicable to the performance of its obligations under this Agreement.

19 14. Notices: The persons having authority to give and receive notices under this
20 Agreement include the following:

21 DISTRICT

22 Tulare Local Healthcare District
23 Board of Directors
24 c/o Chair/President of the Board

21 ATTORNEY

22 Timothy L. Thompson, Esq.
23 MCCORMICK, BARSTOW,
24 SHEPPARD, WAYTE &
25 CARRUTH, LLP
26 7647 N. Fresno Street
27 Fresno, CA 93720

1 Any and all notices between DISTRICT and ATTORNEY provided for or permitted under
2 this Agreement or by law shall be in writing and shall be deemed duly served when personally
3 delivered to one of the parties, or in lieu of such personal service, when deposited in the United
4 States Mail, postage prepaid, addressed to such party, provided however, any notice of termination
5 of this Agreement shall be deemed duly served when it is received. Any notices to be given or
6 provided for under this Agreement are not modifications or changes of this Agreement.

7 15. Venue and Governing Law: The parties agree, that for purposes of venue, performance
8 under this Agreement is to be in Tulare County, California. The rights and obligations of the
9 parties and all interpretations and performance of this Agreement shall be governed in all respects
10 by the laws of the State of California.

11 16. Entire Agreement: This Agreement constitutes the entire agreement between
12 DISTRICT and ATTORNEY with respect to the specialized legal services to be provided herein
13 and supersedes any previous agreement concerning the subject matter hereof, negotiations,
14 proposals, commitments, writings, or understandings of any nature whatsoever unless expressly
15 included in this Agreement. If any part of this Agreement is found violative of any law or is found
16 to be otherwise legally defective, ATTORNEY and DISTRICT shall use their best efforts to
17 replace that part of this Agreement with legal terms and conditions most readily approximating the
18 original intent of the parties.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

ATTORNEY: LAW FIRM OF McCORMICK, BARSTOW, SHEPPARD, WAYTE & CARRUTH, LLP

By _____
Timothy L. Thompson, Esq.

Date: _____

DISTRICT: Tulare Local Healthcare District

By _____
Kevin Northcraft,
Chairperson, Board of Directors

Date: _____