



TO: Mayor and Councilmembers

FROM: Michael Jenkins, City Attorney

CONTACT: Winnie Cai, Deputy City Attorney

SUBJECT: Amendment No.1 to Agreement No. 2017-107 for Professional Legal Services with The Sohagi Law Group, PLC.

RECOMMENDATION:

Authorize the City Manager to execute Amendment No. 1 to Agreement No. 2017-107 between the City of Goleta and The Sohagi Law Group, PLC for professional legal services, increasing the maximum contract amount by \$60,000 for a total not-to-exceed amount of \$235,000 for professional legal services.

BACKGROUND:

Over the past several years, The Sohagi Law Group, PLC have provided the City with litigation and non-litigation services on issues involving land use, CEQA, and oil and gas law. The firm currently provides legal services on cases involving Venoco, Line 96, and litigation with the City of Santa Barbara over development in the Airport area.

DISCUSSION:

Amendment No. 1 would add an additional \$60,000 to allow Sohagi Law Group to continue to represent the City on these issues. The City Attorney's Office recommends that the Council amend the current contract.

FISCAL IMPACTS:

Additional funding for the professional litigation services in a not-to-exceed contract amount of \$60,000 will be encumbered from the litigation services account 101-5-1400-503.

As of the date of this report, the City has expended approximately \$350,000 in the past three years, predominantly on oil and gas issues, on Sohagi Law Group's services. There is adequate funding available in the current FY 17/18 budget to support the \$235,000 contract amount until the end of this fiscal year.

ALTERNATIVES:

The City Council can elect not to amend the agreement and direct staff to return with an agreement with a different law firm or rely on the City Attorney's Office for the subject legal services.

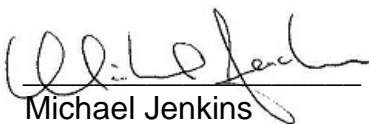
Reviewed By:

Legal Review By:

Approved By:



Carmen Nichols
Deputy City Manager



Michael Jenkins
City Attorney



Michelle Greene
City Manager

ATTACHMENT:

1. Agreement 2017-107 Agreement for Professional Legal Services between the City of Goleta and The Sohagi Law Group, PLC.
2. Amendment No. 1 to an Agreement for Professional Legal Services between the City of Goleta and The Sohagi Law Group, PLC.

ATTACHMENT 1

**Agreement No. 2017-107 for Professional Legal Services with The
Sohagi Law Group, PLC.**



**AGREEMENT FOR PROFESSIONAL LEGAL SERVICES
BETWEEN THE CITY OF GOLETA
AND
THE SOHAGI LAW GROUP**

This AGREEMENT FOR PROFESSIONAL LEGAL SERVICES (herein referred to as "AGREEMENT") is made and entered into this 17th day of October, 2017, by and between the **CITY OF GOLETA**, a municipal corporation (herein referred to as "CITY"), and **THE SOHAGI LAW GROUP**, (herein referred to as "ATTORNEY").

WHEREAS, the CITY has a need for professional legal services within the City Attorney's Office; and

WHEREAS, the CITY does not have the personnel able and/or available to perform the services required under this AGREEMENT, and therefore, the CITY desires to contract for professional services to accomplish this work; and

WHEREAS, the CONSULTANT was selected based on its expertise in the legal services needed and are duly licensed under the laws of the State of California to provide the legal services contemplated by this Agreement;

WHEREAS, the City Council, on this 17th day of October, 2017, approved this AGREEMENT and authorized the City Manager to execute this AGREEMENT.

CITY and ATTORNEY agree as follows:

1. RETENTION AS ATTORNEY

CITY hereby retains ATTORNEY, and ATTORNEY hereby accepts such engagement, to perform the services described in Section 2. ATTORNEY represents it has the qualifications, experience, and facilities to properly and timely perform said services.

2. DESCRIPTION OF SERVICES

The services to be performed by ATTORNEY are as follows:

Professional legal services in conjunction with ongoing litigation, general environmental, land use and CEQA-related legal issues. Services shall generally include legal services related to the projects managed by the City Attorney's Office, as more particularly set forth in the Scope of Work, attached as Exhibit "A," and incorporated herein. ATTORNEY shall deliver to CITY the deliverables defined in Exhibit "A".

3. COMPENSATION AND PAYMENT

(a) The total compensation payable to ATTORNEY by CITY for the services under this AGREEMENT **SHALL NOT EXCEED** the sum of \$175,000.00 (herein "not to exceed amount"), and shall be earned as the work progresses on the following basis:

Hourly at the hourly rates and with reimbursement to ATTORNEY for those expenses set forth in ATTORNEY's Schedule of Fees marked Exhibit "A," attached and incorporated herein. The rates and expenses set forth in that exhibit shall be binding upon ATTORNEY until September 30, 2019, after which any change in said rates and expenses must be approved in writing by CITY's Project Manager (CITY is to be given 60 days' notice of any rate increase request), provided the not to exceed amount is the total compensation due ATTORNEY for all work described under this AGREEMENT.

(b) Summary and Detailed Invoice. ATTORNEY shall provide CITY with written verification of the actual compensation earned, which written verification shall be in a form satisfactory to CITY's Project Manager.

(c) Excluded Expenses. ATTORNEY shall not invoice the CITY for routine copying, telephone, mileage, facsimile, word processing or routine electronic research includes California statutes and cases and Ninth Circuit cases.

(d) Included Expenses. ATTORNEY may invoice the CITY, without any mark-up, actual expenses for non-routine electronic legal research, parking, filing fees, transcripts, delivery charges, extraordinary copying and similar out-of-pocket expenses. These items will be separately designated on Attorney's invoices as "disbursements" and will be billed in addition to the fees for professional services.

(e) Travel and Subsistence. ATTORNEY may invoice the CITY for actual costs incurred by Attorney without any mark-up for transportation, lodging, meal and other travel costs at reasonable rates when necessarily incurred for the representation of the CITY. ATTORNEY may not invoice CITY fees for time spent in transit.

(f) Assignment of Attorneys. ATTORNEY shall assign appropriate member of legal staff, with consent of the City Attorney, to represent CITY in the most efficient manner possible. ATTORNEY represents that all assigned members of legal staff have sufficient education and experience to provide competent and ethical legal representation to CITY. ATTORNEY shall not invoice CITY for time spent by members of legal staff to conduct research on routine items or to garner experience and legal education. ATTORNEY shall provide proper oversight and guidance of assigned members. ATTORNEY shall not invoice CITY for supervision and guidance of an assigned member, but may invoice CITY when collaboration between assigned members extends to providing additional representation of CITY and not routine supervision and guidance. When more than one member participates in the same

meeting, hearing or conversation, ATTORNEY shall only invoice CITY fees for participation by one member.

(g) **Payment.** Invoices shall be made no more frequently than on a monthly basis, and describe the work performed (including a list of hours worked by personnel classification). All payments shall be made within 30 days after CITY's approval of the invoice.

4. CITY PROJECT MANAGER AND SERVICES BY CITY

The services to be performed by ATTORNEY shall be accomplished under the general direction of, and coordinate with, CITY's City Attorney, as that staff person is designated by CITY from time to time, and who presently is Michael Jenkins, Interim City Attorney. Project Manager shall have the authority to act on behalf of the CITY in administering this AGREEMENT but shall not be authorized to extend the term of the AGREEMENT or increase the not to exceed amount.

5. TERM, PROGRESS AND COMPLETION

The term of this AGREEMENT commences from the date first written above to and continues until the AGREEMENT is terminated as provided for herein or the services are complete.

6. OWNERSHIP OF DOCUMENTS

All drawings, designs, data, photographs, reports and other documentation (other than ATTORNEY's drafts, notes and internal memorandum), including duplication of same prepared by ATTORNEY in the performance of these services, are the property of CITY. CITY shall be entitled to immediate possession of the same upon completion of the work under this AGREEMENT, or at any earlier or later time when requested by CITY. CITY agrees to hold ATTORNEY harmless from all damages, claims, expenses, and losses arising out of any reuse of the plans and specifications for purposes other than those described in this AGREEMENT, unless written authorization of ATTORNEY is first obtained.

7. PERSONAL SERVICES/NO ASSIGNMENT/SUBCONSULTANT

This AGREEMENT is for professional services which are personal to CITY. Margaret Sohagi, Esq. is deemed to be specially experienced and is a key member of ATTORNEY's firm, and shall be directly involved in performing, supervising or assisting in the performance of the professional services. This key person shall communicate with, and periodically report to, CITY on the progress of the professional services. Should any such individual be removed from assisting in the contracted professional services for any reason, CITY may terminate this AGREEMENT. This AGREEMENT is not assignable by ATTORNEY without CITY's prior consent in writing.

8. HOLD HARMLESS AND INDEMNITY

(a) Indemnity for Professional Liability. With respect to professional services, ATTORNEY shall indemnify and hold harmless, but not defend, CITY, its officers and employees from liability, including costs and expenses arising out of the negligent acts, errors or omissions or willful misconduct of ATTORNEY.

(b) Defense and Indemnity of Third Party Claims/Liability. With respect to liability other than that arising out of professional services, ATTORNEY shall indemnify defend, and hold harmless CITY, its officers, and employees from and against any and all damages, liability, judgments, losses and expenses including, but not limited to, attorneys' fees, including damages arising from injuries or death of persons and damage to property which arise from, or are connected with, or caused by the negligent acts, errors or omissions of ATTORNEY.

9. INSURANCE

ATTORNEY shall, at ATTORNEY's sole cost and expense, provide insurance as described herein. All insurance is to be placed with insurers authorized to do business in the State of California with an A.M. Best and Company rating level of A- or better, Class VII or better, or as otherwise approved by CITY.

Insurance shall include the following (or broader) coverage:

- a) Insurance Services Office Commercial Liability coverage "occurrence" form CG 00 01 or its equivalent with an edition date prior to 2004 and with minimum limits of \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
- b) Insurance Services Office form number CA 0001 or equivalent covering Automobile Liability, including hired and non-owned automobile liability with a minimum limit of \$1,000,000 per accident. If the Service Provider owns no vehicles, this requirement may be satisfied by a non-owned and hired auto endorsement to Service Provider's commercial general liability policy.
- c) Workers' Compensation insurance complying with California worker's compensation laws, including statutory limits for workers' compensation and an Employer's Liability limit of \$1,000,000 per accident or disease.
- d) Professional Liability insurance on a policy form appropriate to ATTORNEY's profession. Limits shall be no less than \$1,000,000 per claim.

Liability insurance policies required to be provided by ATTORNEY hereunder shall contain or be endorsed to contain the following provisions:

- a) CITY, its employees and officials, shall be covered as additional insureds, excepting Professional Liability and workers compensation insurance.

Coverage shall apply to liability arising out of the negligent performance of the professional services provided under this AGREEMENT. Additional insured status under the general liability requirement shall be provided on Insurance Services Office Form CG 20 10 with an edition date prior to 2004, or its equivalent. Additional insured status for completed operations shall be provided either in the additional insured form or through another endorsement such as CG 20 37 with an edition date prior to 2004.

- b) ATTORNEY's insurance shall apply to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- c) Liability coverage shall be primary and non-contributing with any insurance maintained by CITY.
- d) Evidence of coverage shall be endorsed onto the policy (including the workers' compensation and employer's liability policies) shall provide that coverage shall not be suspended, voided, canceled or reduced in coverage or in limits except after 30 days' prior written notice has been given to CITY. Such provision shall not include any limitation of liability of the insurer for failure to provide such notice.
- e) No liability insurance coverage provided to comply with this AGREEMENT shall prohibit ATTORNEY, or ATTORNEY's employees, or agents, from waiving the right of recovery prior to a loss. ATTORNEY waives its right of recovery against CITY.
- f) ATTORNEY agrees to deposit with CITY certificates of insurance and required endorsements.
- g) There shall be no recourse against CITY for payment of premiums or other amounts with respect to the insurance required to be provided by ATTORNEY hereunder. Any failure, actual or alleged, on the part of CITY to monitor compliance with these requirements will not be deemed as a waiver of any rights on the part of CITY. CITY has no additional obligations by virtue of requiring the insurance set forth herein. In the event any policy of insurance required under this AGREEMENT does not comply with these requirements or is canceled and not replaced, CITY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by CITY will be promptly reimbursed by ATTORNEY or CITY will withhold amounts sufficient to pay premium from ATTORNEY payments.
- h) ATTORNEY agrees to provide immediate notice to CITY of any claim or loss against ATTORNEY arising out of the work performed under this AGREEMENT. CITY assumes no obligation or liability by such notice, but

has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve CITY.

10. RELATION OF THE PARTIES

The relationship of the parties to this AGREEMENT shall be that of independent contractors and that in no event shall ATTORNEY be considered an officer, agent, servant or employee of CITY. ATTORNEY shall be solely responsible for any workers compensation insurance, withholding taxes, unemployment insurance, and any other employer obligations associated with the described work.

11. CORRECTIONS

In addition to the above indemnification obligations, ATTORNEY shall correct, at its expense, all errors in the work that may be disclosed during CITY's review of ATTORNEY's report or plans. Should ATTORNEY fail to make such correction in a reasonably timely manner, such correction shall be made by CITY, and the cost thereof shall be charged to ATTORNEY or withheld from any funds due to ATTORNEY hereunder.

12. TERMINATION BY CITY

CITY, by notifying ATTORNEY in writing, may upon ten (10) calendar days' notice, terminate without cause any portion or all of the services agreed to be performed under this AGREEMENT. If termination is for cause, no notice period need be given. In the event of termination, ATTORNEY shall have the right and obligation to immediately assemble work in progress for the purpose of closing out the job. All compensation for actual work performed and charges outstanding at the time of termination shall be payable by CITY to ATTORNEY within 30 days following submission of a final statement by ATTORNEY unless termination is for cause. In such event, ATTORNEY shall be compensated only to the extent required by law.

13. TERMINATION BY ATTORNEY

ATTORNEY, by notifying CITY in writing, may upon thirty (30) calendar days' notice, terminate this AGREEMENT.

14. CONFLICT OF INTEREST

ATTORNEY is unaware of any CITY employee or official that has a financial interest in ATTORNEY'S business. During the term of this AGREEMENT and/or as a result of being awarded this AGREEMENT, ATTORNEY shall not offer, encourage or accept any financial interest in ATTORNEY'S business by any CITY employee or official.

15. CONSTRUCTION OF LANGUAGE OF AGREEMENT

The provisions of this AGREEMENT shall be construed as a whole according to its common meaning of purpose of providing a public benefit and not strictly for or against any party. It shall be construed consistent with the provisions hereof, in order to achieve the objectives and purposes of the parties. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neutral genders or vice versa.

16. MITIGATION OF DAMAGES

In all situations arising out of this AGREEMENT, the parties shall attempt to avoid and minimize the damages resulting from the conduct of the other party.

17. GOVERNING LAW

This AGREEMENT, and the rights and obligations of the parties, shall be governed and interpreted in accordance with the laws of the State of California. Should litigation occur, venue shall be in Superior Court of Santa Barbara County.

18. RESOLUTION OF FEE DISPUTES

In the event of a fee dispute arising out of or relating to this AGREEMENT or the services to be rendered hereunder, CITY and ATTORNEY agree to attempt to resolve such fee disputes in the following manner:

(1) Through direct negotiations between the appropriate representatives of each party.

(2) If such negotiations are not successful, the parties agree to resolve any remaining dispute through formal nonbinding mediation conducted in accordance with rules and procedures to be agreed upon by the parties.

(3) If the dispute remains unresolved after the above steps are taken, the parties may submit the matter to binding arbitration in Santa Barbara County pursuant to the arbitration rules of the Santa Barbara County Bar Association for legal fee disputes. In the event that the City chooses not to utilize the Santa Barbara County Bar Association's arbitration procedures, the City agrees that any disputes submitted to binding arbitration in Santa Barbara shall be conducted by the American Arbitration Association in accordance with its commercial arbitration rules.

19. TAXPAYER IDENTIFICATION NUMBER

ATTORNEY shall provide CITY with a complete Request for Taxpayer Identification Number and Certification, Form W-9 (Rev. 12-87), as issued by the Internal Revenue Service.

20. NON-APPROPRIATION OF FUNDS

Payments due and payable to ATTORNEY for current services are within the current budget and within an available, unexhausted and unencumbered appropriation of CITY funds. In the event CITY has not appropriated sufficient funds for payment of ATTORNEY services beyond the current fiscal year, this AGREEMENT shall cover only those costs incurred up to the conclusion of the current fiscal year.

21. MODIFICATION OF AGREEMENT

The tasks described in this AGREEMENT and all other terms of this AGREEMENT may be modified only upon mutual written consent of CITY and ATTORNEY.

22. USE OF THE TERM "CITY"

Reference to "CITY" in this AGREEMENT includes City Manager or any authorized representative acting on behalf of CITY.

23. PERMITS AND LICENSES

ATTORNEY, at its sole expense, shall obtain and maintain during the term of this AGREEMENT, all appropriate permits, licenses, and certificates, including a California Bar registration, that may be required in connection with the performance of services under this AGREEMENT. It is specifically stipulated that services provided under this agreement are not performed within the City of Goleta and therefore a CITY business license is not required.

24. CAPTIONS

The captions or headings in this AGREEMENT are for convenience only and in no other way define, limit or describe the scope or intent of any provision or section of the AGREEMENT.

25. AUTHORIZATION

Each party has expressly authorized the execution of this AGREEMENT on its behalf and bind said party and its respective officers, directors, divisions, employees, principals, partners, to this AGREEMENT.

26. ENTIRE AGREEMENT BETWEEN PARTIES

Except for ATTORNEY'S proposals and submitted representations for obtaining this AGREEMENT, this AGREEMENT supersedes any other agreements, either oral or in writing, between the parties hereto with respect to the rendering of services, and contains all of the covenants and agreements between the parties with respect to said services.

If any provision in this AGREEMENT is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail, postage prepaid, and addressed as follows:

TO ATTORNEY: Attention: Margaret Sohagi, Esq.
The Sohagi Law Group
11999 San Vincente Blvd., Suite 150
Los Angeles, CA 90049-5136
(310)475-5700

ATTORNEY

Margaret Sohagi
Margaret Sohagi, Esq.

Exhibit A Scope of Work

ATTORNEY shall provide legal services to the CITY as requested by City Attorney, through the Project Manager, in connection with the project at task. Legal services shall include litigation services and general environmental and land use law, for the implementation of a project.

ATTORNEY shall provide the CITY with an itemized scope of services and estimate of the costs of each litigation case or other legal services assignment. Any additional services or substantial increase in costs beyond the estimate shall be communicated to and approved by the CITY in advance of the work being performed.

ATTORNEY shall assign professionals to complete the assigned tasks who have the requisite level of skills, education required by any professional to be able to complete the assigned tasks. ATTORNEY shall assign professional in a cost effective manner, utilizing Senior Attorney's, Associates or Paralegals / Legal Assistants when it would result in cost saving to the CITY. CITY shall not be responsible for multiple professionals performing the same tasks, whether preparing for or attending meetings, depositions or hearings or file familiarization.

ATTORNEY shall maintain full and complete files for all work performed for the CITY. Such files shall be made available to City for inspection at any time. Upon completion of the services or termination of this AGREEMENT, ATTORNEY shall promptly deliver such files to CITY. ATTORNEY shall provide electronic copies of actual correspondence and court filings to CITY as such files are received or delivered.

ATTORNEY shall identify the City Attorney as co-counsel of record on any and all litigation matters.

ATTORNEY shall timely prepare such status reports as may be requested by CITY. ATTORNEY shall appear at the City Council meetings as requested to brief the City Council on such status reports.

Exhibit B Compensation

THE SOHAGI LAW GROUP, PLC

THE SOHAGI LAW GROUP, PLC

HOURLY RATES

CLIENT shall pay ATTORNEY the fees and necessary expenses calculated in accordance with the hourly rates and expense method of billing identified below. Fees and expenses are to be charged as set forth below. CLIENT will not pay ATTORNEY for travel time. CLIENT will reimburse ATTORNEY for the actual expenses related to the travel.

ATTORNEY structures its services with a primary partner contact for each client. MARGARET MOORE SOHAGI will act as the principal partner contact. She will be responsible for coordinating all matters pertaining to the matter as well as all billing, staffing needs, and regular reports. ATTORNEY's hourly rates are as follows:

Margaret M. Sohagi:	\$325
Nicole H. Gordon	\$325
Albert I. Herson:	\$325
R. Tyson Sohagi	\$325
Alison L. Krumbein	\$325
Thomas Jacobson	\$300
Anne C.H. Lynch	\$300
Helene V. Smookler	\$275
Lauren K. Chang	\$275
Cheron J. McAleece (Paralegal)	\$125

Travel: Actual Expense Only

Lodging and Meals: Actual – Not to exceed CLIENT per diem without prior authorization.

ATTORNEY bills monthly for work performed and costs advanced. ATTORNEY bills all overhead expenses, such as long distance telephone charges, facsimile transmission charges, photocopying and delivery expenses, as costs advanced. All overhead expenses will be billed at ATTORNEY's cost.

ATTACHMENT 2

**Amendment No.1 to Agreement No. 2017-107 for Professional Legal
Services with The Sohagi Law Group, PLC.**

**AMENDMENT NO. 1
TO A PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE CITY OF GOLETA
AND
THE SOHAGI LAW GROUP, PLC**

This Amendment No. 1 to a PROFESSIONAL SERVICES AGREEMENT is made this 3rd day of April, 2018 between the **City of Goleta**, a municipal corporation ("City") and **The Sohagi Law Group, PLC** ("Attorney") dated October 17, 2017 ("Agreement," Agreement No. 2017-107).

RECITALS

WHEREAS, the City has a need for professional legal services within the City Attorney's Office; and

WHEREAS, the Agreement between City and Attorney currently provides in Section 3 Subsection (a) for the total compensation amount not to exceed one seventy-five thousand dollars (\$175,000); and

WHEREAS, the parties desire to amend the Agreement so as to provide for additional compensation in the amount of sixty thousand dollars (\$60,000) for continued legal support for ongoing litigation and general law specifically related to environmental and land use; and

WHEREAS, the Agreement between City and Attorney currently provides in Exhibit B entitled "Compensation" the hourly rates for Consultant; and

WHEREAS, the parties desire to amend Exhibit B of the Agreement to identify the current rate sheet for which position titles with hourly rates are identified but staff names are eliminated to ensure no discrepancy on a forward-going basis occurs when Consultant changes staff from time to time; and

WHEREAS, the City Council approved this Amendment No. 1, pursuant to the Goleta Municipal Code Section 3.05.240 on this 3rd day of April, 2018.

AMENDED TERMS

Now therefore City and Attorney agree as follows that the Agreement be, and hereby is, amended as follows:

1. Section 3 Subsection (a). COMPENSATION AND PAYMENT of the Agreement is amended to add an additional authorized amount of \$60,000 and to read in its entirety:

(a) Maximum and Rate. The total compensation payable to CONSULTANT by CITY for the services under this AGREEMENT **SHALL NOT**

EXCEED the sum of \$235,000.00 (herein "not to exceed amount"), and shall be earned as the work progresses on the following basis:

Hourly at the hourly rates and with reimbursement to ATTORNEY for those expenses set forth in ATTORNEY's Schedule of Fees marked Exhibit "A," attached and incorporated herein. The rates and expenses set forth in that exhibit shall be binding upon ATTORNEY until September 30, 2019, after which any change in said rates and expenses must be approved in writing by CITY's Project Manager (CITY is to be given 60 days' notice of any rate increase request), provided the not to exceed amount is the total compensation due ATTORNEY for all work described under this AGREEMENT.

2. This Agreement is amended to delete and replace in its entirety:

Exhibit B "Compensation" with **Exhibit B-1 "Compensation"** attached hereto and incorporated herein.

3. Except as otherwise specifically provided herein, all other provisions of the Agreement shall remain in full force and effect.

In concurrence and witness whereof, this Amendment No. 1 has been executed by the parties effective on the date and year first above written.

CITY OF GOLETA

ATTORNEY

Michelle Greene, City Manager

Margaret Sohagi, Esq.

ATTEST:

Deborah Lopez, City Clerk

APPROVED AS TO FORM



Winnie Cai, Deputy City Attorney

**Exhibit B-1
Compensation**

THE SOHAGI LAW GROUP, PLC

HOURLY RATES

CLIENT shall pay ATTORNEY the fees and necessary expenses calculated in accordance with the hourly rates and expense method of billing identified below. Fees and expenses are to be charged as set forth below. CLIENT will not pay ATTORNEY for travel time. CLIENT will reimburse ATTORNEY for the actual expenses related to the travel.

ATTORNEY structures its services with a primary partner contact for each client. MARGARET MOORE SOHAGI will act as the principal partner contact. She will be responsible for coordinating all matters pertaining to the matter as well as all billing, staffing needs, and regular reports. ATTORNEY's hourly rates are as follows:

Principal	\$325
Partner	\$325
Of Counsel I	\$325
Of Counsel II	\$300
Associate I	\$300
Associate II	\$275
Law Clerk	\$175
Paralegal	\$125

Travel: Actual Expense Only

Lodging and Meals: Actual – Not to exceed CLIENT per diem without prior authorization.

ATTORNEY bills monthly for work performed and costs advanced. ATTORNEY bills all overhead expenses, such as long distance telephone charges, facsimile transmission charges, photocopying and delivery expenses, as costs advanced. All overhead expenses will be billed at ATTORNEY's cost.

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