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August 28, 2023

BY EMAIL ONLY

Lloyd Guintivano, Esq. County Counsel County of Lake 255 North Forbes Street Lakeport, CA 95453

Re: Friedman & Springwater LLP Retention Agreement

Dear Mr. Guintivano:

This letter sets forth the nature, scope and terms of the engagement of Friedman & Springwater LLP (the "Firm") as counsel to the County of Lake ("Client") with respect to the matter set forth below. The terms of this letter are effective as of the date that the Firm first began providing services to the Client.

Scope of Engagement. The Firm will represent the Client in connection with the Client's interests in Proceeding No. P-77, the Potter Valley Project, currently pending before the Federal Energy Regulatory Commission ("FERC") and related matters regarding a proposal by Pacific Gas and Electric Company to de-commission the Potter Valley Project (the "Matter").

The Client understands that the Firm has made no promises or guarantees concerning the outcome of this Matter. Any statements regarding a possible outcome are statements of opinion only. The Client also acknowledges that the Firm is not its general counsel and that this engagement does not involve representation of the Client in any matter other than as set forth above. The Firm will not provide advice or representation regarding matters of taxation, labor, securities, criminal, or other specialties of the law.

<u>Communications</u>. We will act upon instructions received by duly authorized representatives of the Client or its advisors. We do not represent any officers, directors, members, employees or shareholders of the Client, unless specifically stated in this letter. To enable us to render services effectively, the Client agrees to disclose all facts and keep us apprised of all

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developments relating to this representation, to cooperate with the Firm, and to be available to attend meetings and other conferences, as necessary. It is in the Client's best interest to preserve the confidentiality of all communications with the Firm. The ability to protect the confidentiality of such communications may be jeopardized if their contents are disclosed to third persons.

Fees and Costs. Our agreement to represent the Client is contingent upon the Client's payment to us of an advance fee of U.S. \$10,000 and maintenance of a credit balance with us of at least U.S. \$10,000 until this engagement is concluded. Upon the termination of the Firm's representation of the Client, any excess advance fee or credit balance held by the Firm will be refunded to the Client after the payment of all outstanding fees and expenses. The Client agrees that the Firm may apply the advance fee or credit balance to its fees and costs on a monthly, weekly or more frequent basis as determined in the Firm's discretion. The Firm will promptly provide the Client with a billing statement of the fees and costs that have been paid out of the advance fee or credit balance. The total amount of fees and costs will vary depending on circumstances. Notwithstanding the advance fee, the Client shall remain liable to the Firm for all amounts owed to the Firm pursuant to the terms of this letter.

The Client agrees to pay our fees and costs promptly as billed in U.S. dollars. Our billings will be based on the time, including travel time, expended by lawyers and legal assistants employed by the Firm, billed at their customary hourly rates in effect at the time the work is performed, plus costs. Any projection of fees or costs is merely an estimate, not an agreement to perform services for a flat rate. Costs include filing fees for certain documentation, including Uniform Commercial Code financing statements, expenses for travel, messenger and filing services, and copying, printing, and database services. Costs may also be incurred for consultants or investigators (collectively, "Experts") needed for this representation. The Firm will obtain the Client's consent before it hires Experts. The Firm may, but is not obligated to, pay such Experts on behalf of the Client and then seek reimbursement from the Client as part of its regular billing. The Firm may require the Client to pre-pay certain costs and bills, or certain costs may be forwarded directly to the Client for payment. Lawyers sometimes are subpoenaed or sued by third parties because of actions they take on behalf of their clients or in connection with the representation. Accordingly, if we are subpoenaed or sued as a result of acting on your behalf or in connection with these representations, you agree to pay our hourly rates for appearing or participating in the litigation or discovery in order to defend or explain actions taken on your behalf or in connection with the representation.

The current standard rates for professionals and paraprofessionals employed by the Firm range from \$850 to \$325 per hour. The Firm's rates are subject to adjustment periodically to reflect changes in experience and economic conditions. I will be the attorney primarily handling this Matter, with support from our associates and legal assistants. My current hourly rate is \$700, our associate attorneys' billing rates range from \$520 to \$490 per hour, and our legal assistants'

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rates range from \$350 to \$325 per hour. The Firm will apply a courtesy reduction of 15% to our professional fees each month for this engagement.

The cost of services, including time spent and expenses incurred, shall not exceed \$25,000 without prior, written approval of Client. The Firm will notify Client when the cost of services reaches \$20,000 to give Client sufficient time to obtain additional authority to approve an increase above \$25,000.

<u>Conflicts</u>. Our acceptance of this representation is conditioned upon the Client's agreement that the Firm may accept representations of other clients in matters unrelated to this Matter in which the Client may be a party in interest, as a creditor, owner or otherwise, notwithstanding the interest of the Client and without further notice to or consent by the Client. The Client further agrees to provide a written confirmation of this agreement upon our request.

Termination of Engagement. This representation will terminate when the Firm completes the services described herein or if it is discharged or withdraws. The Client shall have the right, at any time, to terminate the services of the Firm upon written notice to the Firm. In the event of such termination, the Client will remain obligated to pay for services rendered and costs or expenses paid or incurred on behalf of the Client prior to the date of such termination. In addition, the Firm reserves the right to withdraw from the representation of the Client if, among other things, the Client fails to honor the terms of this engagement letter, fails to cooperate or follow our advice on a material matter, or upon the occurrence of any fact or circumstance that would, in our view, render our continuing representation inappropriate. The Client agrees that, if the Firm elects to withdraw from the representation, the Client will take all steps and execute any documents necessary to complete the withdrawal and the Firm will be entitled to payment for all services rendered and costs and expenses paid or incurred prior to the date of withdrawal. After this representation terminates, the Firm does not undertake or have a continuing duty to represent the Client or to keep it informed about any legal or factual developments that are or may be relevant to this engagement. It is the Firm's policy to destroy its files for a particular matter seven years after the matter has been concluded unless the Client makes other arrangements for storage of such files before that time.

Arbitration. If any dispute arises in connection with this engagement, payment of the Firm's fees or expenses, the professional services rendered by the Firm, including any claims of malpractice, or any other disagreement or dispute that involves the Client and the Firm, such dispute shall be resolved by arbitration before the American Arbitration Association ("AAA") or the Judicial Arbitration and Mediation Service ("JAMS") by a single arbitrator in accordance with the AAA Commercial Rules and applicable California law in effect at the time the proceeding is initiated. In agreeing to resolve such disputes through arbitration, the Client and the Firm each hereby acknowledge and agree that each party is waiving rights to have such disputes resolved by



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trial to a judge or a jury. Arbitration hearings would be held in the San Francisco offices of AAA or JAMS and each party shall bear its own costs and attorney fees.

With respect to disputes arising in connection with the payment of the Firm's fees or expenses, the Client and the Firm acknowledge that the Client has the right to elect arbitration pursuant to the fee arbitration act procedures set forth in California Business and Professions Code Sections 6200-6206 (the Mandatory Fee Arbitration Act). If, after receiving a Notice of Client's Right to Fee Arbitration from the Firm, the Client does not file a request within thirty days to proceed under the Mandatory Fee Arbitration Act procedures, any dispute over fees or expenses will be resolved by binding arbitration as provided in the previous paragraph.

The Client understands that it has the right to obtain independent legal counsel to advise it regarding this agreement. By signing this agreement, the Client confirms that it either sought such advice or declined to exercise its right to do so.

If the foregoing terms are acceptable, please have a duly authorized representative of the Client sign this letter and return it to my attention. We are pleased that you contacted us. We look forward to working with you.

Very truly yours,

Friedman & Springwater LLP

Rith Stoner Wiizzin By:

Ruth Stoner Muzzin

The retention arrangement described above is hereby agreed to and accepted.

County of Lake

By: Lloyd C. Guintivano (Aug 30, 2023 10:54 PDT)

Name: Lloyd C. Guintivano

Title: County Counsel

Lake County Engagement Letter - Execution Copy

Final Audit Report 2023-08-30

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