

**AGREEMENT FOR
PROFESSIONAL LEGAL SERVICES
SPECIAL COUNSEL**

This agreement ("Agreement") is made and entered into this 20th day of July 2017, by and between RICHARDS, WATSON & GERSHON, A Professional Corporation, with a place of business at 1 Civic Center Circle, Brea, California 92821, hereinafter referred to as "RWG," and INDIAN WELLS VALLEY GROUNDWATER AUTHORITY, Ridgecrest City Hall, 100 W. California Avenue, Ridgecrest, California 93555, hereinafter referred to as "AUTHORITY".

WHEREAS, AUTHORITY desires to retain RWG to perform legal special counsel services concerning the generation and implementation of a groundwater sustainability plan pursuant to the State Sustainable Groundwater Act; and

WHEREAS, RWG is in the general practice of law with extensive public law and water law, water rights and groundwater adjudication and management experience; and

WHEREAS, RWG hereby discloses its prior representation of Indian Wells Valley Water District on an unrelated matter, which representation concluded in 2001;

NOW, THEREFORE, in consideration of the mutual terms and conditions hereinafter set forth, it is agreed as follows:

1. Appointment of Special Counsel.

AUTHORITY hereby appoints JAMES L. MARKMAN to serve as Special Counsel to AUTHORITY. Both the Special Counsel and all other attorneys providing services hereunder shall, at all times hereunder and at their sole cost and expense, be fully qualified and licensed to practice law in the State of California and before all appropriate State and Federal courts and other bodies and tribunals.

2. Scope of Work.

RWG by and through the services of JAMES L. MARKMAN agrees to perform legal services concerning the project described above and hereinafter referred to as "the SGMA Project." Special Counsel shall represent the interests of the AUTHORITY as a whole with the core goal of timely implementing the SGMA Project as distinguished from advocating to specifically benefit any water producer. More specifically, the services to be performed by RWG shall be provided as directed by Authority's Board of Directors, Chief Executive or General Counsel and shall include, without limitation, the following:

- A. Attendance at selected Board of Directors meetings.
- B. Legal research and legal advice to AUTHORITY and designated AUTHORITY staff.
- C. Participation in the preparation and review of resolutions, agreements, and other legal documents.
- D. Participation in planning for and negotiating any and all terms, rights and obligations contained in the implementation plan which may result from the SGMA Project, including, but not limited to, water rights and production allocations and cost allocations.
- E. Litigation related to the SGMA Project.

3. Term.

This Agreement shall commence as of _____, 2017 and shall continue in effect until terminated by AUTHORITY or RWG. AUTHORITY or RWG may terminate this Agreement at any time, with or without cause, by giving thirty (30) days written notice to the other party prior to termination of this Agreement. In the event of termination: (i) AUTHORITY shall remain obligated to pay for all costs and expenditures incurred by RWG prior to the effective date of such termination; and (ii) RWG shall comply with all provisions of the Rules of Professional Conduct for the termination of a client relationship, shall assist AUTHORITY in transition to a new special counsel and shall be compensated for such assistance at the rates provided under this Agreement.

4. Coordination and Organization.

JAMES L. MARKMAN will process, coordinate and direct as necessary all legal services hereunder in order to maximize the timeliness and usefulness of the delivery of such services. The Special Counsel and other RWG attorneys providing services hereunder shall be available, at all reasonable times, to AUTHORITY's Board of Directors, Chief Executive, General Counsel and other persons designated by the Chief Executive in relationship to legal services to be furnished by RWG hereunder.

5. Payment.

5.1 Compensation and Reimbursement Rates.

RWG shall be compensated for the performance of legal services and reimbursed for costs incurred therewith in accordance with the Compensation and Reimbursement Schedule for Indian Wells Valley Groundwater Authority ("Compensation and Reimbursement Schedule"), attached to this Agreement as Exhibit "A" and incorporated herein as though set forth in full.

5.2 Billing.

RWG shall provide to AUTHORITY a monthly invoice for the services provided, the time spent providing those services, and costs incurred. All invoices shall be in the form customarily supplied by RWG to public agency clients being billed on an hourly basis. AUTHORITY shall process and cause such invoices to be paid promptly and no later than thirty (30) days after receipt of the invoice.

6. Indemnification

Each party shall indemnify, defend and hold harmless the other party, its directors, members, officers, employees and agents from and against any and all third-party claims, suits or actions instituted on account of personal injuries or death of any person (including but not limited to workers and the public) or physical damage to property resulting from or arising out of the indemnitor's willful misconduct or negligent act or omission while engaged in the performance of obligations or exercise of rights under this Agreement.

7. Conflicts of Interest.

RWG shall comply with all applicable laws and professional rules and standards relating to any known conflict of interest involving AUTHORITY and matters upon which RWG is providing legal services under this Agreement. RWG shall not reveal confidential information of AUTHORITY, except with the consent of the Chief Executive, the Board of Directors or as otherwise required by law. RWG shall notify the General Manger or Board of Directors or General Counsel, depending on the circumstances, of any conflict of interest related to matters upon which it is providing legal services under this Agreement upon discovery of any such conflict. In the event that such conflict is not or cannot be waived or resolved, AUTHORITY shall retain alternate legal counsel and RWG shall assist and cooperate with such legal counsel retained by AUTHORITY on the matter for which the conflict arose.

8. Client Files.

8.1 Offer to Transfer Files.

At the conclusion of RWG's legal representation of AUTHORITY, the original client files for the work performed under this Agreement shall be made available to AUTHORITY. RWG will be entitled to make copies of any client files. At the conclusion of RWG's legal representation of AUTHORITY, (regardless of whether AUTHORITY takes possession of the client files) AUTHORITY shall take possession of any and all original contracts, and other such important documents that may be in the client files and RWG shall have no further responsibility with regard to such documents.

8.2 Notice of Intent to Dispose.

If AUTHORITY does not take possession of the client files at the conclusion of RWG's legal representation of AUTHORITY, RWG shall store such client files for a period of at least one (1) year. At the conclusion of such one (1) year period, RWG may send to AUTHORITY a notice, advising of RWG's intention to dispose of the client files. AUTHORITY shall have sixty (60) days from the date of such notice to take possession of the client files. If AUTHORITY does not take possession of the client files during that time, AUTHORITY agrees that RWG may dispose of the client files without further notice.

8.3 Survival of Expiration.

Section 8 of this Agreement shall survive the expiration of this Agreement.

9. General Provisions.

9.1 Non-Discrimination.

In the performance of this Agreement, RWG shall not wrongfully discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, sexual orientation or medical condition.

9.2 Assignment/Delegation.

This Agreement contemplates the personal professional services of RWG and neither this Agreement, nor any portion thereof, shall be assigned or delegated without the prior written consent of AUTHORITY.

9.3 Interpretation.

The following rules of legal construction shall apply:

A. This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced and governed under the laws of the State of California.

B. The section captions and headings in this Agreement have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

C. Whenever in this Agreement the context may so require, the masculine gender shall be deemed to refer to and include the feminine and neuter, and the singular shall refer to and include the plural.

9.4 Attorney's Fees.

The parties acknowledge and agree that each will bear its own costs, expenses and attorney's fees arising out of and/or connected with the negotiation, drafting and execution of this Agreement.

9.5 Notices.

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

TO IWVGA:

Indian Wells Valley Groundwater Authority
Ridgecrest City Hall
100 W. California Avenue
Ridgecrest, California 93555

Attention: Chief Executive

TO RWG:

Richards, Watson & Gershon
1 Civic Center Circle
P.O. Box 1059
Brea, California 92822-1059

Attention: James L. Markman

9.6 Signatories.

Each signatory warrants and represents that he or she is competent and authorized to execute this Agreement on behalf of the party for whom he or she purports to sign.

9.7 Entire Agreement.

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

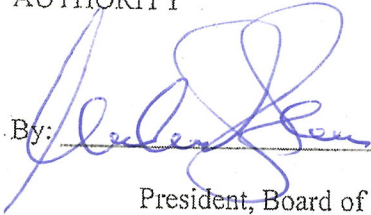
9.8 Modification of Agreement.

This Agreement and the provisions set forth herein may be modified only by way of a written amendment to this Agreement that has been approved and executed by and on behalf of both RWG and AUTHORITY.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the respective dates set forth opposite each of their signatures.

Dated: 3-2-18

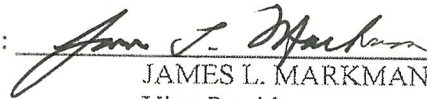
INDIAN WELLS VALLEY GROUNDWATER
AUTHORITY

By: 

President, Board of Directors


Dated: 3-14-18

RICHARDS, WATSON & GERSHON,
A Professional Corporation

By: 

JAMES L. MARKMAN
Vice-President

ATTEST:



Secretary to the Board

Exhibit "A"

**Compensation and Reimbursement Rate Schedule for
Indian Wells Valley Groundwater Authority**

1) Legal Services

Legal Services shall be billed to, and compensated by, the AUTHORITY, at the following rates for RWG:

- At the rate of \$325 per hour for services performed by James L. Markman;
- At the rate of \$300 per hour for the services of other RWG Shareholders and Senior Counsel;
- At the rate of \$275 per hour for the services of RWG associate attorneys;
- At the rate of \$235 per hour for the services of RWG clerks; and
- At the rate of \$200 per hour for the services of RWG paralegals.

Only one-half of the time expended in driving to or from AUTHORITY's office in Ridgecrest, California shall be charged.

2) Reimbursable and/or Other Costs

Expenses for non-local travel will be charged at our actual costs. RWG bills mileage at the standard rate established by the IRS for calculating the operating expenses of an automobile used for business purposes, which currently is 53.5 cents per mile, but will not bill mileage incurred by an RWG employee or agent driving to or from AUTHORITY's office in Ridgecrest, California. Copying costs will be charged at 5 cents per page. All other costs, such as long distance telephone charges, messenger and delivery services will be charged only at the Firm's actual out-of-pocket expenses. The Firm will not charge for legal research, word processing and similar clerical tasks.