



California Automated Consortium Eligibility System Legal Services Agreement

THIS Contract is entered into in the State of California by and between California Automated Consortium Eligibility System, hereinafter called the Consortium or CalACES, and

Name	hereinafter	
Kronick Moskovitz Tiedemann & Girard	called	Attorneys
Address		
400 Capitol Mall, 27 th Floor		
Sacramento, CA 95814		
Telephone	Federal ID No. or Social Security No.	
(916) 321 - 4500	94-2174974	

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, CalACES has determined that it is in the best interest of CalACES to retain Attorneys to advise and assist in the representation of CalACES in all legal matters, including administrative actions and civil actions (and the threat of same) in connection with Legal Services as may be assigned; and,

WHEREAS, Attorneys have special skills, knowledge, experience, and expertise in the areas defined below necessary to effectively advise, assist, litigate, and otherwise represent the Agency on such matters.

Attorneys shall serve as the legal advisor and counsel to CalACES and the Board of Directors. Attorneys will advise and assist the Board of Directors and staff on various matters, in addition to general governance, and board policy and mandates, which include but are not limited to the areas of law described herein. For example, matters as they relate to the Ralph M. Brown Act (Gov. Code 54950 et seq.), which governs meetings conducted by local legislative bodies as well as the Consortium's foundation documents such as the Joint Exercise of Powers agreement and amendments, the Memorandum of Understanding between the Consortium and the Member Counties and the Consortium's Bylaws. Attorneys will review all contracts for approval as to form and will advise and oversee all legal matters on behalf of the Consortium. Attorneys have experience in municipal and/or other local public-sector law, are experienced in overseeing government procurements, negotiating contracts, advising on conflict of interests and the Political Reform Act and FPPC Regulations, information technology, trademark law, computer security, data privacy, drafting and reviewing legislation, and California Public Records Act compliance. Attorneys are required to actively participate in the Consortium's transition from a forty (40) Member Counties Consortium to a fifty-eight (58) Member Counties Consortium, which includes educating all fifty-eight (58) County Counsel Offices and their staff, for approval by fifty-eight (58) Counties' Boards of Supervisors. Attorneys will participate in meetings on behalf of the Consortium with other public agencies as needed.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree as follows:

1. **Representation of Agency.**

a. CalACES hereby retains the services of Attorneys to advise, represent and assist in the representation of CalACES, its officers and employees in the matters referred to above in the first WHEREAS clause, and to provide such other advice, services and representation on other matters as may be assigned by CalACES Board of Directors and CalACES Executive Director.

b. It is understood that Attorneys, in Attorneys performance of any and all duties under this Contract, except as otherwise specifically provided in this Contract, have no authority to bind CalACES to any agreements or undertakings.

c. In the performance of all services under this Contract, Attorneys shall be, and acknowledge that Attorneys are, in fact and law, independent contractors and not agents or employees of CalACES. Attorneys have and retain the right to exercise full supervision and control of the manner and methods of providing services to CalACES under this Contract. Attorneys retain full supervision and control over the employment, direction, compensation and discharge of all persons assisting Attorneys in the provision of services under this Contract. With respect to Attorneys' employees, if any, Attorneys shall be solely responsible for payment of wages, benefits and other compensation, compliance with all occupational safety, welfare and civil rights laws, tax withholding and payment of employee taxes, whether federal, state or local, and compliance with any and all other laws regulating employment.

2. **Performance of Services and Hourly Rates.**

a. Attorneys shall prepare and submit matter updates or case reports or other status reports and recommendations in the form and manner as requested by CalACES Executive Director. Attorneys understand that the CalACES Executive Director uses Microsoft WORD ("WORD") for all written work products. In order that all written work products of Attorneys in regard to this Contract are compatible with the CalACES system, Attorneys shall produce all written work products using the same WORD or such other word processing system that the CalACES agrees is readily converted by WORD.

b. Attorneys shall only assign persons to perform services under this Contract who are approved by the CalACES Executive Director and when feasible Attorneys will use lower compensated personnel in order to reduce the costs of services to CalACES. Jeff Mitchell or David Tyra shall be the lead attorneys, supervise all Attorneys' work under this Contract depending on the particular assignment involved, and will be the points of contact between the Attorneys and CalACES Executive Director on all matters under this Contract. The persons listed in Exhibit "A," Standard Hourly Billing Rates, may perform services under this Contract. The hourly rate for each of the listed attorneys and other persons who may be approved to work under this Contract shall not exceed the rates listed on Exhibit "A," Standard Hourly Billing Rates. The CalACES Executive Director may approve an amendment to this Contract to authorize other attorneys or other persons to work for Attorneys under this Contract and to authorize changes to the rates listed on Exhibit "A," Standard Hourly Billing Rates.

c. Attorneys may charge CalACES for the time spent on telephone calls relating to services under this Contract, including calls with CalACES Executive Director, and staff, opposing counsel, court personnel, experts, attorneys, and witnesses. Upon prior approval of the CalACES Executive Director, Attorneys' legal personnel assigned to perform services under this Contract may confer among themselves about the substantive legal, tactical, and strategic issues pertaining to the covered matters, with CalACES personnel, and with attorneys and other persons who may have information regarding such matters, as required. When they do confer with the CalACES Executive Director's approval, each of the Attorneys' legal personnel reasonably required to so confer may charge for the time expended. Likewise, with prior

approval of the CalACES Executive Director, if more than one of the Attorneys' legal personnel is reasonably required to attend a meeting, court hearing, or other proceeding, each may charge for the time spent. Upon prior approval of the CalACES Executive Director, Attorneys may charge for waiting time in court and elsewhere and for travel time, both local and out of town, provided that they do not charge the CalACES for any such time when they are also providing services for other clients.

d. Attorneys shall not, without the consent of the CalACES Executive Director, communicate any information they reasonably believe is confidential information, whether designated in writing or identified in this Contract as such, to any third party and shall protect such information from inadvertent disclosure to any third party in the same manner that they protect their own confidential information, unless such disclosure is required in response to a validly issued subpoena or other process of law. Upon completion of this Contract, the provisions of this paragraph shall continue to survive.

e. The total compensation payable under this Contract shall not exceed \$750,000.00 per fiscal year absent an amendment to this Contract approved by the CalACES Board of Directors to increase the annual compensation payable hereunder. The parties agree that Attorneys are not required to or expected to perform services under this Contract for which they are not compensated.

f. All written and electronic communications with the CalACES, including invoices and billings, shall be conspicuously marked "Confidential - Attorney Client Communication."

3. **Coordination of Services.** Attorneys shall consult with the Consortium through the CalACES Executive Director concerning all substantive positions and procedural steps to be taken by Attorneys in the course of advice and representation pursuant to this Contract.

- a. **Billing.** Attorneys shall submit detailed, correct invoices in accordance with CalACES standard invoicing requirements or other procedures agreed to in writing by the parties to CalACES for all Charges and other amounts to be paid by CalACES. Additionally, such statements requesting reimbursement for costs and expenses must include sufficient back-up documentation, such as invoices or receipts, to support the cost or expense claimed. Attorneys shall not submit an invoice for Payment Events until after their occurrence. All invoices submitted must meet with the approval of the Executive Director or his or her designee prior to payment. Invoices shall include all information reasonably requested by CalACES, including, without limitation, Contract name and reference number, Federal Tax Identification Number, itemization of each Service provided for which payment is requested, and total amount due. All hourly billable Services will include the Attorney's name, date of service, type of Services provided, number of hours required and Charges. CalACES shall have the right to dispute any invoices submitted for payment by Contractor if CalACES believes the Charges were not approved, are inaccurate or incorrect in any way. CalACES shall use reasonable efforts to provide a Notice to Attorneys within ten (10) business days after receipt of an invoice, specifying the reasons why CalACES believes the Charges were not approved, are inaccurate or incorrect, but CalACES shall not be in breach of the Contract if it fails to provide Attorneys with such Notice. In the event of any dispute with regard to a portion of an invoice, the undisputed portion shall be paid as provided herein. CalACES shall pay Contractor undisputed amounts within 60 days of receipt of a correct invoice.

4. **Term and Termination.** This Contract shall commence on August 23, 2018 and shall remain in full force and effect for five (5) years, with three (3) additional one-year options that may be exercised by the Consortium, or until terminated as follows: CalACES reserves the right in its sole discretion to terminate this Contract at any time CalACES Executive Director deems necessary or advisable upon ten (10) calendar days notice to the Attorneys. In order that CalACES may have sufficient time to obtain replacement counsel, Attorneys reserve the right in their sole discretion to terminate this Contract at any

time Attorneys deems necessary or advisable upon thirty (30) calendar days notice to CalACES. Upon receipt or giving of such notice of termination, Attorneys shall provide no further services to CalACES without specific request or authorization of the CalACES Executive Director. Services of Attorneys hereunder shall not be deemed terminated until Attorneys have had an opportunity to, and upon receipt or giving of such notice of termination Attorneys are hereby authorized to, obtain leave of court to withdraw from any court proceeding concerning which Attorneys are attorney of record for CalACES. In the event of any termination of this Contract, Attorneys shall immediately provide CalACES Executive Director with all materials, documents and work product related to services performed under this Contract that have not previously been provided to CalACES Executive Director. All such materials, documents and work product related to services performed under this Contract are and shall remain the property of the CalACES. Unless otherwise directed by the CalACES Executive Director, Attorneys may retain copies of such items.

5. **No Assignment.** The experience, skill, and expertise of Attorneys are of the essence to this Contract. Attorneys shall not assign (whether by assignment or novation) this Contract or delegate their duties hereunder in whole or in part or any right of interest hereunder without the prior consent of CalACES Executive Director.
6. **Amendment.** Except as provided in Section 2.b. above, this Contract may be amended or modified only by agreement signed by each of the Board and the Attorneys, and a failure on the part of either party to enforce any provision of this Contract shall not be construed as a waiver of the right to compel enforcement of such provision or provisions.
7. **Prior Approval.** Unless otherwise provided in this Contract or as instructed by CalACES Executive Director, Attorneys must obtain the prior approval of CalACES Executive Director concerning the following:
 - a. Retention of any consultant or expert witness to assist with this matter;
 - b. Making any settlement proposal on CalACES behalf;
 - c. Filing any action, response or motion;
 - d. Scheduling any deposition; and
 - e. Any expense item exceeding Five Hundred dollars (\$500.00).
8. **Copies of Work Attorneys Will Provide to Agency.** Attorneys must promptly provide CalACES Executive Director with copies of all:
 - a. Pleadings and legal memoranda prepared in connection with any CalACES matter hereunder;
 - b. Court rulings; and,
 - c. Significant correspondence and information related to any CalACES matter hereunder, specifically including, but not limited to responses to the CalACES or independent auditors concerning pending or threatened litigation and/or unasserted claims and assessments.
9. **CalACES Legal Billing Review.** CalACES shall have the right to review and audit all billing statements prior to or after payment to Attorneys. This review may include, but not be limited to CalACES Executive Director:

- a. Determination that the hourly fee charged is consistent with this Contract's approved hourly rate schedule as listed in Exhibit "A";
- b. Determination that the multiplication of the hours billed times the approved rate schedule dollars is correct;
- c. Determination that the bill is clearly divided into billing rate categories based on hours worked on each activity for each day by each attorney/person and costs which Attorneys have advanced to witnesses, consultants and experts, depositions, transcript expenses, and other reimbursable expenses; and,
- d. Determination that each item charged is the usual, customary, and reasonable charge for the particular item. If CalACES Executive Director determines an item charged is greater than usual, customary, or reasonable, or is duplicative, ambiguous, excessive, or inappropriate, CalACES Executive Director shall either return the bill to Attorneys with a request for explanation or adjust the payment accordingly and give notice to Attorneys of the adjustment.
- e. The CalACES Executive Director and other authorized CalACES representatives shall have the absolute right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested, and shall have the absolute right to monitor the performance of Attorneys in the delivery of services provided under this Contract. Attorneys shall cooperate with the CalACES Executive Director and other authorized CalACES representatives in the implementation, monitoring, and evaluation of this Contract and comply with any and all reporting requirements established by the CalACES Executive Director and other authorized CalACES representatives. All records pertaining to services delivered and all fiscal, statistical and management books and records shall be available for examination and audit by CalACES Executive Director and other authorized CalACES representatives for a period of three years after final payment under the Contract or until all pending CalACES audits are completed, whichever is later.

10. **Costs and Expenses.** Attorneys shall bill for their costs and expenses on a pass-through basis as an advance by Attorneys and without any profit or other mark-up.

- a. **Reimbursable ordinary costs and expenses** shall be limited to:
 1. Deposition fees;
 2. Transcript fees;
 3. Process service;
- b. **Reimbursable extraordinary costs and expenses** shall include charges for which Attorneys have obtained CalACES Executive Director's prior approval. Such expenses shall be limited to:
 1. Consultants, investigators, and experts, their travel, lodging, and meals;
 2. Witnesses, their travel, lodging, and meals;
 3. Attorneys out of local area travel, lodging, and meals;
 4. Any expense item estimated to equal or exceed Five Hundred dollars (\$500.00).
- c. **Non-reimbursable costs and expenses** shall include, but not be limited to:
 1. Rent, utilities, word processing, couriers, telephone charges, office supplies, support staff, local area travel, lodging and meal expenses, alcoholic beverages of any kind (beer, wine, etc.), Westlaw, Lexis or other provider charges for legal research, standard postage, and faxes.

2. Charges for time spent to provide necessary information for monthly billing statements and CalACES audits or billing inquiries; and,

3. Charges for work performed and otherwise reimbursable extraordinary costs and expenses which had not been authorized by CalACES Executive Director. Such work and costs/expenses shall be a gratuitous effort by Attorneys.

d. The "local area" is defined as any place within fifty (50) miles of any Attorneys' office and the CalACES offices in Rancho Cordova.

11. **CalACES Executive Director's Authority.** Except as specifically limited herein to the CalACES Board of Directors or otherwise, the CalACES Executive Director shall have the authority to exercise all CalACES rights and authority under this Contract. Additionally, the CalACES Executive Director may approve reimbursable costs and expenses under Subparagraph 10b, above.

12. Notices. All notices, demands, requests, consents, approvals, amendments, changes in assignments or other required communications shall be in writing, and delivered in person or sent by certified mail, postage prepaid, addressed as follows:

Attorneys: Kronick Moskovitz Tiedemann & Girard
Attn: David W. Tyra and Jeffrey A. Mitchell
400 Capitol Mall, 27th Floor
Sacramento, CA 95814
(916) 321-4500

Agency: John Boule, Executive Director
c/o Jennifer Smith, Administrative Analyst
CalACES
11290 Pyrites Way, Suite 150,
Rancho Cordova, CA 95670
(916) 851-3216
SmithJA@CalACES.org

or at such other address or to such other persons as either of the parties may from time to time designate by notice given as herein provided. Notice given by mail as required above shall be deemed delivered three (3) CalACES business days after mailing.

13. **Conflicts.**

a. Attorneys shall not undertake the representation of any client in the pursuit of any claim against the CalACES without first obtaining a waiver and consent from the CalACES and its Members. Attorneys shall disclose any conflict circumstance to CalACES Executive Director and obtain any needed approval or waiver by CalACES and its officers. Any document evidencing such disclosure and any document evidencing such approval or waiver shall be deemed to be a part of this Contract. Attorneys shall provide written notice to CalACES in the event Attorneys undertakes the representation of any client in the pursuit of any claim against any of CalACES' Members.

b. Attorneys have read and are aware of the provisions of Section 1090 et seq. and Section 87100 et seq. of the Government Code relating to conflict of interest of public officers and employees. Attorneys agree that they are unaware of any financial or economic interest of any public officer or employee of the CalACES relating to this Contract. It is further understood and agreed that if such a financial interest does exist at the inception of this Contract, the CalACES may immediately terminate this Contract by giving

notice thereof. Attorneys shall comply with the requirements of Government Code section 87100 et seq. during the term of this Contract.

14. **Hold Harmless and Insurance.**

a. **Indemnification** – Attorneys agree to indemnify, defend (with counsel reasonably approved by CalACES Executive Director) and hold harmless CalACES and its authorized officers, employees, agents and volunteers (“Indemnitees”) from any and all claims, actions, losses, damages, and/or liability arising out of this Contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by CalACES on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of Indemnitees. Attorneys’ indemnification obligation applies to CalACES “active” as well as “passive” negligence but does not apply to CalACES “sole negligence” or “willful misconduct” within the meaning of Civil Code Section 2782.

b. **Insurance** - Attorneys agree to provide insurance set forth in accordance with the requirements herein. If Attorneys use existing coverage to comply with these requirements and that coverage does not meet the specified requirements, Attorneys agree to amend, supplement, or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the Contract services.

Without in any way affecting the indemnity herein provided and in addition thereto, Attorneys shall have a State approved Self-Insurance Program to the levels identified herein or shall secure and maintain throughout the Contract the following types of insurance with limits as shown:

Workers' Compensation/Employer's Liability - A program of Workers' Compensation insurance in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employers' Liability with \$250,000 limits, covering all persons including volunteers providing services on behalf of Attorneys and all risks to such persons under this Contract.

If Attorneys have no employees, Attorneys may certify or warrant to CalACES that they do not currently have any employees or individuals who are defined as “employees” under the Labor Code and the requirement for Workers’ Compensation coverage will be waived by the CalACES Executive Director.

With respect to contractors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers’ Compensation insurance. If the CalACES Executive Director determines that there is no reasonably priced coverage for volunteers, evidence of participation in a volunteer insurance program may be substituted.

Commercial/General Liability Insurance – Attorneys shall carry General Liability Insurance covering all operations performed by or on behalf of Attorneys providing coverage for both bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- a) Premises operations and mobile equipment
- b) Products and completed operations
- c) Broad form property damage (including completed operations)
- d) Explosion, collapse, and underground hazards
- e) Personal injury
- f) Contractual liability
- g) \$2,000,000 general aggregate limit

Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired, and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If Attorneys are transporting one or more non-employee passengers in performance of contract services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence.

If Attorneys own no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

Professional Liability – Professional Liability Insurance with limits of not less than one million (\$1,000,000) per claim or occurrence and two million dollars (\$2,000,000) aggregate limits or Errors and Omissions Liability Insurance with limits of not less than one million dollars (\$1,000,000) and two million dollars (\$2,000,000) aggregate limits or Directors and Officers Insurance coverage with limits of not less than one million dollars (\$1,000,000) shall be required for contracts with charter labor committees or other not-for-profit organizations advising or acting on behalf of the Agency. If insurance coverage is provided on a “claims made” policy, the “retroactive date” shall be shown and must be before the date of the start of the Contract work. The claims made insurance shall be maintained or “tail” coverage provided for a minimum of five (5) years after Contract completion

Additional Insured – All policies, except for the Workers’ Compensation, Errors and Omissions and Professional Liability policies shall contain endorsements naming CalACES and its officers, employees, agents, and volunteers as additional insureds with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for CalACES to vicarious liability but shall allow coverage for CalACES to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

Waiver of Subrogation Rights – Attorneys, shall require the carriers of required coverages to waive all rights of subrogation against CalACES, its officers, employees, agents, volunteers, contractors, and subcontractors. All general or auto liability insurance coverage provided shall not prohibit Attorneys and their employees or agents from waiving the right of subrogation prior to a loss or claim. Attorneys hereby waive all rights of subrogation against Agency.

Policies Primary and Non-Contributory - All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by CalACES.

Severability of Interests – Attorneys agree to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross-liability exclusions that preclude coverage for suits between Attorneys and CalACES or between CalACES and any other insured or additional insured under the policy.

Acceptability of Insurance Carrier – Unless otherwise approved by CalACES Executive Director, insurance shall be written by insurers authorized to do business in the State of California and with a minimum “Best” Insurance Guide rating of “A-VII.”

Deductibles and Self-Insured Retention – Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by CalACES Executive Director.

Failure to Procure Coverage – In the event that any policy of insurance required under this Contract does not comply with the requirements, is not procured, or is canceled and not replaced, CalACES has the right but not the obligation or duty to cancel the Contract or obtain insurance if it deems necessary and any premiums paid by CalACES will be promptly reimbursed by Attorneys or CalACES payments to Attorneys will be reduced to pay for Agency purchased insurance.

c. Proof of Coverage Attorneys shall furnish Certificates of Insurance to the CalACES evidencing the insurance coverage at the time the Contract is executed. Additional endorsements, as required, shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) calendar days written notice to CalACES, and Attorneys shall maintain such insurance from the time it commences performance of services hereunder until the completion of such services. Within five (5) business days of the commencement of this Contract, Attorneys shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

d. Insurance Review Insurance requirements are subject to periodic review by CalACES. The CalACES Executive Director, or designee, is authorized, but not required, to reduce, waive, or suspend any insurance requirements whenever the CalACES Executive Director or his/her designee determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of CalACES. In addition, if CalACES Executive Director or designee determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the CalACES Executive Director, or designee, is authorized, but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against CalACES, inflation, or any other item reasonably related to the CalACES risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Contract. Attorneys agree to execute any such amendment within thirty (30) calendar days of receipt.

Any failure, actual or alleged, on the part of CalACES to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on part of CalACES.

15. Arbitration. Arbitration shall be limited to any controversy or claim between the parties concerning Attorneys' billing for professional fees, costs, and expenses, and shall be arbitrated under the system and procedures established for such arbitration pursuant to California Business and Professions Code sections 6200 et seq. Judgment upon the arbitrator's award may be entered in any court having jurisdiction thereof. Such arbitration award will be final and binding upon the parties hereto.
16. Legal Fees, Costs, and Expenses. If any arbitration or legal action is instituted to enforce or declare any party's rights hereunder, each party, regardless of which party is the prevailing party, must bear its own

costs, expenses, and attorneys' fees. This paragraph shall not apply to those costs, expenses and attorneys' fees directly arising from any third party legal action against a party hereto and payable under paragraph 14, **Hold Harmless and Insurance**.

17. **Reserved.**

18. **Venue.** The venue of any action or claim brought by any party to this Agreement will be in the Superior Court of California, in either: Los Angeles, County, Los Angeles District; Sacramento County, Sacramento District; or San Bernardino County, San Bernardino District. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this Agreement is brought by any third-party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, in either: Los Angeles, County, Los Angeles District; Sacramento County, Sacramento District; or San Bernardino County, San Bernardino District.

19. **Reserved.**

20. **Exhibits.** All exhibits referred to are attached to this Contract and incorporated by reference.

21. **Law.** This Contract shall be construed and interpreted in accordance with the laws of the State of California without reference to any choice of laws provision.

22. **Improper Consideration.** Attorneys shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, services, the provision of travel or entertainment, or any items of value to any officer, employee or agent of CalACES in an attempt to secure favorable treatment regarding this Contract or any contract awarded by CalACES. CalACES, by notice, may immediately terminate this Contract or any CalACES contract if it determines that any improper consideration as described in the preceding sentence was offered to any officer, employee or agent of CalACES with respect to the proposal and award process of this Contract or any CalACES contract. This prohibition shall apply to any amendment, extension or evaluation process once this Contract or any CalACES contract has been awarded. Attorneys shall immediately report any attempt by any CalACES officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from Attorneys. The report shall be made to the CalACES Executive Director, or to the CalACES Board Chair. In the event of a termination under this provision, CalACES is entitled to pursue any available legal remedies.

23. **Material Misrepresentation.** If during the course of the administration of this Contract, CalACES determines that the Attorneys have made a material misstatement or misrepresentation, or that materially inaccurate information has been provided to CalACES, this Contract may be immediately terminated. If this Contract is terminated according to this provision, CalACES is entitled to pursue any available legal remedies.

24. **Licenses and Permits.** Attorneys shall ensure that they have all necessary licenses and permits required by the laws of Federal, State, CalACES, and municipal laws, ordinances, rules, and regulations to perform the services under this Contract. The Attorneys shall maintain these licenses and permits in effect for the duration of this Contract. Attorneys will notify CalACES immediately of loss or suspension of any such licenses and permits. Failure to maintain required licenses and permits may result in immediate termination of this Contract.

25. **Consent.** Whenever consent or approval of either party is required that party shall not unreasonably withhold, condition or delay such consent or approval.

26. Special Terms and Conditions. None.

27. Contract. The above terms and conditions constitute the complete agreement between the parties hereto. This Contract was jointly prepared by both parties, and the language in all parts of this Contract shall be construed, in all cases, according to its fair meaning, and not for or against either party hereto.

IN WITNESS WHEREOF, the parties hereto have caused their respective names to be hereunto subscribed by their respective proper officers thereunto duly authorized.

California Automated Consortium Eligibility System
(CalACES)

ATTORNEYS

Kronick Moskowitz Tiedemann & Girard
(Print or type name of corporation, company, contractor, etc.)

►

Antonia Jimenez, Chair, Board

By ► 
(Authorized signature - sign in blue ink)

Date: _____

Name David W. Tyra
(Print or type name of person signing Contract)

SIGNED AND CERTIFIED THAT A COPY OF THIS
DOCUMENT HAS BEEN DELIVERED TO THE
CHAIR OF THE BOARD

Title V.P. / Shareholder
(Print or Type)

John Boule
Secretary of CalACES

Date: Aug. 17, 2018

By _____
John Boule, Secretary, Board

Date: _____

EXHIBIT A

FINANCIAL MATTERS

A. Maximum for Legal Services

Consortium shall pay Attorneys a maximum of \$750,000 per year for Legal Services described herein under this Agreement, provided that Attorneys have first obtained the Consortium's Executive Director prior approval as to an assigned Attorney's or Attorneys' work on each task.

B. Standard Hourly Billing Rates

Consortium shall pay Attorneys standard hourly billing rates listed below.

Routine Tasks:

Routine tasks are defined as (1) attendance at meetings of the Board of Directors and/or attendance of Board committees, along with the review of meeting agendas; and (2) review of staff reports, resolutions, notices, deeds, leases, routine contracts and other standard documents:

Rates for Routine Tasks:

Shareholders:	\$275
David W. Tyra	
Jeffrey A. Mitchell	
Maggie W. Stern	
Constantine C. Baranoff	
Amara Harrell	
Senior Associates:	\$250
Susana P. Solano	
Jennifer Weiner	
Junior Associates:	\$225
Andreas L. Booher	
James W. Ward	
Stephanie T. Pham	
Paralegals:	\$115
Legal Secretaries:	None

Complex Tasks:

Complex tasks are defined as (1) all tasks associated with non-routine public contracts and bidding, including but not limited to, contract negotiation, preparation, and review; (2) land use and real estate matters; (3) public finance; (4) litigation; (5) labor and employment.

Rates for Complex Tasks:

Shareholders:	\$325
David W. Tyra	
Jeffrey A. Mitchell	
Maggie W. Stern	
Constantine C. Baranoff	

Amara Harrell	
Senior Associates:	\$300
Susana P. Solano	
Jennifer Weiner	
Junior Associates:	\$275
Andreas L. Booher	
James W. Ward	
Stephanie T. Pham	
Paralegals:	\$115
Legal secretaries:	None

Special Rate Incentives:

Special Rate for Routine Advice and Counsel Questions:

Up to ten (10) hours per month at the flat rate of \$250 an hour for responding to, and addressing, "routine advice and counsel questions," which shall be defined as any question posed to Attorneys by CalACES' management staff in such areas as Brown Act, or public labor and employment issues, requiring 30 minutes or less for an Attorney to answer. For matters requiring more than 30 minutes to address or after the initial ten (10) hours per month has been exhausted, all advice and counsel matters will be billed under the rate structure for Routine Tasks set forth above.

Special Rate for "Ramp Up" Time:

During the first two months of this contract, Attorneys will bill up to 50 hours at a flat rate of \$7,500 for Attorneys' efforts to learn more about CalACES's operations, including but not limited to, reviewing existing contracts with vendors and suppliers, reviewing existing bylaws and other governing documents, and meeting with management and staff to come up to speed on existing issues.

C. Legal Services Payment Schedule

Attorneys will submit detailed, correct invoices in accordance with CalACES standard invoicing requirements or other procedures agreed to in writing by the parties to CalACES for all Charges and other amounts to be paid by CalACES. Additionally, such statements requesting reimbursement for costs and expenses must include sufficient back-up documentation, such as invoices or receipts, to support the cost or expense claimed. Attorneys shall not submit an invoice for Payment Events until after their occurrence. All invoices submitted must meet with the approval of the Executive Director or his or her designee prior to payment. Invoices shall include all information reasonably requested by CalACES, including, without limitation, Attorney's name, Contract name and reference number, Federal Tax Identification Number, itemization of each Service provided for which payment is requested, and total amount due. All hourly billable Services will include the date of service, type of Services provided, number of hours required and Charges. CalACES shall have the right to dispute any invoices submitted for payment by Contractor if CalACES believes the Charges are inaccurate or incorrect in any way. CalACES shall use reasonable efforts to provide a Notice to Attorneys within ten business days after receipt of an invoice, specifying the reasons why CalACES believes the Charges are inaccurate or incorrect, but CalACES shall not be in breach of the Contract if it fails to provide Contractor with such Notice. In the event of any dispute with regard to a portion of an invoice, the undisputed portion shall be paid as provided herein. CalACES shall pay Attorneys undisputed amounts within 60 days of receipt of a correct invoice.