



Craig A. Steele

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June 5, 2025

VIA ELECTRONIC MAIL - CORNWELLC@CITYOFMERCED.ORG

Craig Cornwell
City Attorney
City of Merced
678 W. 18th Street
Merced, California 95340

Re: Legal Services Agreement - Litigation Matters

Dear Craig:

We are pleased to have the opportunity to provide legal services to the City of Merced ("City") relating to various litigation matters that you may assign to us.

I will provide overall supervision of the cases that are assigned to RWG, reporting to you, and will use attorneys in the firm at my discretion to provide high quality and cost-efficient services to the City. I write to set forth the terms upon which RWG will provide legal services to the City, and the basis upon which we will bill for our services and expenses.

RWG maintains a conflict of interest database. At this time, because no litigation matter has been assigned, we have not performed any additional conflict of interest research. In the future, as matters are assigned and based on the party information you provide, we will examine our database to determine whether we might have a professional conflict of interest with respect to the other parties in the matter. As you know, we previously determined that we have no conflicts of interest in representing the City and that remains the case, based on our current knowledge.

For your information, we continue to represent the Merced County Solid Waste Authority, a Joint Powers Authority of which the City is a member, on a property acquisition matter as we previously disclosed. We could not advise the City on that matter and it remains excluded from our representation of the City.

I will manage the City's representation and billing. At any time, I will use litigation attorneys, legal assistants and other law firm personnel as may be helpful in representing the City's interests. If I am ever unavailable to manage the representation, I will delegate that responsibility and let you know in advance the attorney who will take my place. If you ever have any concerns regarding our work, please

let me know immediately. As you know, it often is more efficient for the City if an RWG specialist works directly on a matter and has direct contact with you or City staff.

We will bill the City for fees and costs on a monthly basis. When a bill is to be sent, I will review it before it is issued to ensure that the amount charged is appropriate and accurately reflects the services rendered.

Attorney time will be billed at a courtesy discount of 15% off the standard hourly rate for the attorney, paralegal, or other professional who performs the work. A copy of our 2025 current standard hourly rates is attached. Our rates generally are evaluated at the beginning of each year and may change during the course of this representation. The rates charged to the City will not be changed except upon at least thirty days' notice. Our time is billed in 1/10 hour minimum increments. We will provide a running tabulation of fees and charges for each litigation matter assigned to us with our monthly bills.

In addition, we will bill the City for costs in connection with our representation of the City. Such costs include copying documents (\$0.10 page), court fees, electronic research and document assistance service charges, messenger and delivery services, travel expenses, mileage, and other similar costs, and will be billed at our cost. Such charges frequently are billed to the firm from third-party vendors. Therefore, there sometimes will be a delay between the time such costs are incurred and the time when they appear on your bill. Please note that we make every effort to be as efficient and cost-effective as possible. For example, we transmit documents by email whenever possible to avoid postage or messenger charges.

We agree that the City will pay our bills within 30 days of receipt of our billing statement. We further agree that interest will accrue on any unpaid overdue balances at the lesser of seven percent simple interest per annum or the maximum rate permitted by law.

The nature of legal representation makes it impossible for us to accurately estimate the total amount of fees and costs that may be incurred over time. We will keep you informed of significant developments in any matter, including those that might have a substantial effect on the cost of this representation. Please feel free to inquire at any time about expected future costs.

We rarely have fee disputes with clients. Nevertheless, you should be aware that the City is entitled to require that any fee dispute be resolved through the mandatory fee arbitration provisions of the California Business & Professions Code. Many local bar associations have such programs. In the event that you choose not to utilize the local Bar arbitration procedures, you agree that all fee disputes between us shall be submitted to binding arbitration in Los Angeles to be conducted by the American Arbitration Association, in accordance with its commercial arbitration rules.

The initial term of this Agreement will be for three years from the Effective Date, but the City has the right to terminate our representation upon thirty (30) days written notice to us. We have the same right, subject to our obligations under the California Rules of Professional Conduct that apply to attorneys licensed by the State Bar. If the City elects to terminate the Firm, we will be paid all fees and costs incurred prior to the termination within 30 days after delivery of a final bill for services. We will

provide an opportunity for the City to acquire a copy of our files on any matter, at the City's cost, for one (1) calendar year following the date of such termination and following that time we may destroy the files at our discretion.

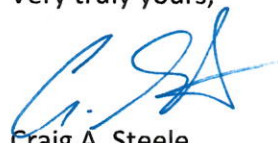
We are also required to inform you that we currently maintain professional liability insurance.

Our legal relationship and the terms of this agreement will be governed by the substantive laws of the State of California.

In order for the Firm to work on litigation matters, please sign and return a copy of this engagement letter to me. The existing agreement between the City and RWG for advisory services is not affected by this Agreement.

We look forward to working with you and the City.

Very truly yours,



Craig A. Steele
President

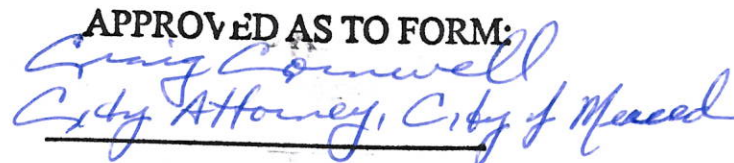
Agreed and Accepted:
City of Merced

Date: _____

By: _____

Title: _____

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APPROVED AS TO FORM:

City Attorney, City of Merced

RICHARDS, WATSON & GERSHON
2025 STANDARD BILLING RATE

	YEARS OF PRACTICE	HOURLY RATE
SHAREHOLDERS	35+	\$600 - \$650
SHAREHOLDERS	30+	\$575
SHAREHOLDERS	25+	\$550
SHAREHOLDERS	20+	\$525
SHAREHOLDERS	10+	\$500
SHAREHOLDERS	7+	\$475
SR. ATTORNEYS	35+	\$600 - \$650
SR. ATTORNEYS	30+	\$575
SR. ATTORNEYS	25+	\$550
SR. ATTORNEYS	20+	\$525
SR. ATTORNEYS	10+	\$500
SR. ATTORNEYS	7+	\$475
ASSOCIATES	6+	\$405
ASSOCIATES	5+	\$390
ASSOCIATES	4+	\$370
ASSOCIATES	3+	\$360
ASSOCIATES	2+	\$350
ASSOCIATES	1+	\$330
ASSOCIATES	1-	\$315
LAW CLERKS		\$260
PARALEGALS		\$250
E-DISCOVERY TECHNICAL SPECIALIST		\$250

01/01/2025