

THE LAW OFFICES OF
ANDERSON CALL & WILKINSON, P.C.

A Professional Corporation
139 Historic 25th Street
Ogden, UT 84401

July 3, 2013

Ron Chandler
City Manager
North Ogden City
505 E. 2600 North
North Ogden, UT 84414

Re: North Ogden City Attorney Services

Dear Ron,

Thank you for the opportunity our firm has had over the past year to work with the City of North Ogden. It would be both a pleasure and an engaging professional opportunity to continue to assist the City with its legal needs. We will be present at all City Council meetings on the 2nd and 4th Tuesdays of each month, and at Planning Commission and other City meetings as requested. We will be responsible for providing general legal services to the City as requested by the Mayor, Council, City Manager, Recorder, and HR Manager. Other requests for legal advice by individuals should be either cleared by one of the above mentioned individuals/groups or pre authorized in writing in conjunction with the contract or to supplement the contract at a later date. We are willing to talk to and advise any of the city department heads, but understand the importance of controlling costs and leave it to the individuals mentioned above to control who is able to initiate contact with our firm for legal services.

As we understand the proposed scope of our attorney services will continue based upon the Tier 1 category as outlined in our proposal dated June 21, 2012 (which is incorporated by reference) for a yearly retainer of \$24,000 broken into monthly retainers of \$2,000. Our monthly retainer will be due at the end of each monthly period. No initial retainer is required. We will provide a monthly statement of hours and accounting to you as City Manager.

Based upon the selection of the Tier arrangement in our proposal, we are contracting to provide twenty two (22) hours a month of services billed in tenth of an hour increments. Twenty (20) of those hours will be provided by me and two (2) hours will be provided by Craig Call. Additional time over the twenty (20) hours for me will be billed at \$125 an hour and additional time for Craig over the two (2) will be billed at \$225 an hour.

Effective after December 31, 2013 the City could select an appropriate tier from the Proposal which would govern the contract for the remainder of the contract year - that is until July 1, 2014. At each yearly anniversary of the contract the City may select a new tier level to govern the next year of contract retainer, until June 30, 2015. It is assumed that if no new contract is signed or Tier is selected after that date, the contract will continue for an additional twelve (12) months, at the same Tier level as was selected for the previous year, until cancelled.

Our firm agrees to maintain the same Tier pricing level until June 30, 2015.

We agree that this contract may be terminated at any time, though we do not anticipate this will happen. Should the City determine to discontinue our legal services that they can do so with thirty (30) days written notice. Should our firm wish to discontinue services we would provide the city with one hundred and twenty (120) days notice to allow the city sufficient time to locate a suitable replacement.

Additional costs may be incurred for reasonable litigation expenses and copying costs and that the City will be responsible for covering these costs in addition to the yearly retainer. Our hope is that all such copying and other expenses can be incurred through utilizing city equipment and contracts, though occasionally outside services will need to be utilized. In such an event we will attempt to get authorization from city officials, but in the unlikely event no person is available we reserve the right to make an ultimate determination as to the appropriateness of the charge. The City will cover all court related expenses for filing actions and related processing fees. Our time spent on litigation matters will be included in the Tier selection as outlined in our attached proposal. Our firm will not bill for incidental printing costs associated with printing City documents at our offices in association with our billed time as we provide services.

Please provide a complete copy, both print and electronic, of the current city ordinances if they are not available or not up-to-date online.

This letter, the attached Proposal, and attached Terms and Conditions confirm the scope and terms of our representation and takes precedence over any other agreement, oral or otherwise, previously made. This letter controls over the attached Terms and Conditions, and the attached Proposal where they may conflict. The Proposal also controls over the Terms and Conditions. Officials of the City have been given this letter and the opportunity to provide input to modify and clarify the various terms of our arrangement.

Please do not hesitate to call us if you have any questions or concerns about this letter or the terms and conditions of our engagement. Please return a signed copy of this letter so we have it on our files.

At any time during our engagement, we will be happy to respond to any questions or inquiries you may have. Thank you once again for your confidence and entrusting us to assist you. It will be a privilege to work with you and your associates at North Ogden City.

Very truly yours,



Jonathan W. Call

ANDERSON CALL & WILKINSON

ACCEPTED AND APPROVED this ____ day of _____, 2013.

Mayor Richard G. Harris
North Ogden City

Attested by Annette Spendlove
City Recorder
North Ogden City

TERMS AND CONDITIONS

Anderson Call and Wilkinson, P.C.

A Professional Corporation

1. Work involved. We will perform the legal services described in the letter (the "Letter") to which these Terms and Conditions are attached. We will take such steps as we deem advisable in our professional opinion to represent you, including but not limited to drafting correspondence, e-mails, pleadings, memoranda and other legal documents, making telephone calls, performing legal research and analysis, coordinating with governmental officials and professionals, and other activities as may be necessary to pursue your objectives.

2. Authorization. Your receipt of legal services after the date of this Letter shall serve as acceptance of the terms contained in the Letter and these Terms and Conditions. You authorize us to take all action that we deem advisable in your behalf, and you agree to cooperate in all reasonable ways with us in our representation of you. We will not, however, resolve any case without your consent, and we will keep you reasonably informed of developments in your matter.

3. Legal Fees and Costs

a. Fees. We charge for our services based primarily on hourly rates. The current hourly rate for your primary attorney is listed in the Letter. When we believe it would be appropriate and cost-effective, we may also use other attorneys within the Firm or who regularly provide services to the Firm whose experience and expertise are aligned with your legal needs. Their hourly rates generally range from approximately \$150.00 to \$350.00. We may also employ the assistance of law clerks and paralegals, whose hourly rates range from \$75.00 to \$125.00. All hourly rates are subject to change from time-to-time in writing in writing in an invoice or other notice. Time changes are based on units of one-tenth (.1) of an hour, and you will be charged with one-tenth of an hour's time for each tenth of an hour spent on your behalf.

b. Costs. In addition to hourly charges, you will be invoiced for all costs and expenses we incur or advance on your behalf. For example, you will be charged our standard rate for photocopies (currently \$.20/page), facsimiles (currently \$.50 per page for outgoing/no charge for incoming transmissions), long distance telephone calls (estimated retail cost), and access to and searches on electronic or computerized research services (standard retail cost). You will also be expected to reimburse the Firm for expenses that may be advanced on your behalf, including postage, automobile mileage (IRS reimbursement rate), process server fees and costs, overnight courier services, messenger and delivery fees, court fees, court-reporter fees, consultants' and experts' fees, translation costs, witness fees, parking charges, airline and other travel costs, and similar items. Due to billing by third parties and other factors, some charges for costs may be delayed and will appear on subsequent or supplemental statements.

c. Outside Expenses. By engaging us, you authorize us to incur reasonable expenses on your behalf that we believe to be necessary and appropriate. We generally prefer, however, that you directly pay for significant outside expense items and filing fees related to your matter.

d. Estimate of Charges. It is not generally possible to predict in advance the total charges for a matter. Our charges will depend in large part on time expended, which often cannot be accurately estimated at the outset of our engagement due to factors beyond our control. At your request, we will provide you with an estimate of expenses that may be required to accomplish specific objectives. In the absence of a specific written agreement, any such estimate or budget will be neither a binding contract nor a binding bid for a certain sum.

e. Retainer. Unless other arrangements are made, we require that you immediately forward a retainer in the amount specified in the Letter in order to engage our services. This advance will be held in a trust account and will not earn interest. This retainer will be credited against legal fees and costs incurred on your behalf and will be applied as we determine to our billing statements, unless otherwise specified in the Letter. If our fees and costs exceed the amount of this advance, we will request that you replenish the retainer and/or send invoices on a monthly basis for prompt payment. If our total charges do not exhaust the retainer, we will refund the balance to you at the conclusion of our representation and upon clearance of expected costs.

5. Guaranty. Any person signing as guarantor (“Guarantor”) the Letter to which these Terms and Conditions are attached (i) accepts the Terms and Conditions, (ii) agrees that Guarantor’s obligations are joint and several and are governed by the laws of the State of Utah and (iii) consents to the jurisdiction of the courts of the State of Utah.

6. Billings and Payment. You will be sent billing statements on a monthly or other periodic basis as services are rendered or costs incurred on your behalf. These statements will contain a description of services rendered, fees and costs incurred for these services, and any unpaid balance from previous billings. Unless you have made special arrangements in writing with the Firm, all statements are immediately due and payable and will be considered delinquent if not paid within 30 days of the date of billing. When billing statements are not paid timely, the unpaid balance may, at the Firm’s election, bear interest at the rate of 1% per month. Returned checks will be subject to a \$30.00 charge. Delinquent accounts may also be subject to collection efforts, and you agree to pay all reasonable costs of collection, including attorneys’ fees. We also reserve the right to stop all work to you as provided in Section 7 in the event your account becomes delinquent.

7. Withdrawal or Termination. You have the right to terminate this engagement at any time by providing us with written notice to that effect. We reserve the right to withdraw from this representation for any reason permissible under the Utah Rules of Professional Conduct, including the use of legal services for improper conduct, misrepresentation or failure to disclose material facts, a non-waivable conflict of interest, or failure to follow legal advice. We may also withdraw from representing you if your legal fees remain unpaid for a period of more than 30 days, if you fail to honor any of these Terms and Conditions, or if required or permitted for any other reason. Unless terminated sooner in accordance with its terms, this engagement shall terminate upon completion of our services. In case of any withdrawal or termination, we will be entitled to be paid our fees and costs through the date of withdrawal or termination, and you agree to cooperate by executing any writing that may reasonably be required to effect the discharge or termination. Be advised that, pursuant to Utah Code §38-2-7, an attorney has a lien for the balance of compensation due from a client on any money or property owned by the client that is the subject of or connected with work performed for the client.

8. Conflicts of interest. We are presently unaware of any reason that would preclude our representation of you. In the event that we become aware of a conflict of interest related to our representation of you, we may, to the extent permissible under applicable ethical rules, seek consent from you and any involved party to allow our continued representation. In the event circumstances emerge that prevent or prohibit us from representing you due to a conflict of interest, we may be compelled to withdraw from our representation of you. Should this occur, we will assist you by providing referrals to suitable replacement counsel.

9. Reliance on Information/Authorities. We will base our conclusions and our representations to third parties on facts and assumptions that you submit and we will not independently verify this information except as may be required by law. Inaccurate or incomplete information provided by you could have a material effect on our conclusions and on the overall results of our representation. In rendering our advice, we may consider, for example, federal laws and state statutes, local ordinances, administrative codes and regulations such as the Internal Revenue Code and judicial and administrative decisions. These authorities are subject to change, both retroactively and/or prospectively, and any such changes could affect the continuing validity of our advice. We will not update our advice for such subsequent changes or modifications unless you specifically engage us to do so after changes or modifications.

10. No Third Party Reliance. Our legal advice is for your information and use, and may not be relied upon by any third party without our express written permission.

11. No Guarantees. Although we will use our best efforts to represent you, we cannot and do not make any guarantee or assurance regarding the outcome or successful completion, resolution, or termination of any matter related to this engagement or our ongoing representation. Any expressions regarding possible outcomes are matters of our professional opinion only.

12. Electronic and Internet Communications. For convenience, we may communicate with you and transmit documents to you via internet e-mail, cellular telephone, and/or personal digital assistant. While we believe that these methods provide for efficient and generally safe communications, these communications may not be encrypted and may not be secure from

unauthorized interception. On balance, we believe that the use of such communication methods is appropriate. Unless you advise us differently in writing, you authorize us to communicate with you and transmit and receive information by such means.

13. Retention of Records. Upon request, you may obtain your client file as maintained by the Firm in accordance with the Firm's general practices.

14. Subpoena of Records. In the event we are required to respond to a subpoena or legal discovery device seeking records related to services we have performed for you, or to testify by deposition or otherwise concerning such services, we will first consult with you as to whether you wish to assert your attorney-client privilege to the extent you may properly do so. You agree to pay us reasonable fees and costs incurred in responding to any such discovery request, including, but not limited to, searching for and reviewing documents, photocopying costs, appearing at depositions or hearings, and otherwise litigating issues related to the discovery request.

15. Audit Requests. If we are asked to provide an audit response letter to your accountants or professional advisors, you agree to pay us reasonable fees and costs associated with this service.

16. Future Services. Except as may be specifically agreed in writing, these Terms and Conditions will apply to any additional services that you may request to be performed by the Firm.

17. Entire Agreement. The Letter, including any exhibits, and these Terms and Conditions constitute the entire agreement between you and us regarding the subject of these Terms and Conditions and the Letter. The Letter and these Terms and Conditions supercede all other oral and written representations, understandings, or agreements related to this subject matter, and may only be modified or amended by written agreement.

18. Governing Law. These Terms and Conditions and the Letter shall be governed by and construed in accordance with the laws of the State of Utah.

19. Use of Terms. The terms "Firm," "we," "us" and "our" refer to the law firm of Anderson Call and Wilkinson, P.C., a professional corporation, and its employees. The terms "you," "your," and "client" refer to the individual or entity that is engaging our services.