

The LEDBETTER LAW FIRM, PLC

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ENGAGEMENT AGREEMENT
FLAT FEE

CITY OF BISBEE

MATTER: CITY ATTORNEY

Welcome. We appreciate your decision to retain the Firm. You are in the process of engaging us in relation to providing services as the City's Attorney. I am writing to confirm the terms under which The Ledbetter Law Firm, PLC (the "Firm") or its assignee proposes to represent you (the "Client") in connection with this matter, and in any future matters for which we agree to represent you. So that we all clearly understand the terms upon which we have agreed to represent you, I have prepared this Engagement Agreement.

Representation. Our representation as the City Attorney is effective as of the date we first begin providing services to you as a result of the requested representation. However, you agree that the Firm is under no obligation to provide any legal services to you until the Firm has received the appropriate flat fee as discussed below. We will undertake your representation and work with you to achieve the desired objectives by using our best judgment and skill in representing you. You understand that we cannot and have not made any guarantee regarding the outcome of the matter.

Flat Fee. We have agreed to provide the legal services above for a flat fee of ten thousand dollars and no/100s (\$10,000.00) per month. If the Firm has to provide additional services outside the flat fee, terms governing those additional legal services are also set forth later in this Engagement Agreement. Client understands and agrees that the Flat Fee is earned upon receipt. Pursuant to Ethical Rule 1.5, Client may nevertheless discharge the Firm at any time and in that event may be entitled to a refund of all or part of the fee based upon the value of the representation provided to date.

Staffing. We may utilize other attorneys, paralegals and litigation/clerical assistants where available and appropriate. Staffing decisions will be made by me, with the objective of rendering services on an efficient and cost-effective basis.

Decision-Making. Decisions regarding your goals are yours to make. This includes whether to bring a claim or lawsuit, and whether to settle or to proceed to trial. We will provide you with legal advice regarding these decisions so that you understand their likely benefits and risks. Our role as attorneys is to advise you on your goals, and to make those decisions on how to achieve your goals. All of our decisions and actions must be consistent with our ethical obligations to you and to the courts.

Communication. Effective communication is an essential element of successful representation. Please expect to receive regular letters, e-mails, or phone calls from me. The purpose of these communications is to provide you with updates, to obtain your input, and to answer any questions that you have. If, at any time, you have questions or concerns about this matter, please do not hesitate to call, e-mail, or write to me. If we cannot take your call, we will do my best to return it as soon as possible. We strive to return all calls within 24 hours. However, there may be times when trials, hearings, and court deadlines make this impossible. In that event, we will strive to return your call as soon as possible. You may also follow-up on phone messages with e-mails, if you so desire, as we can occasionally respond to e-mails at times when we cannot take a phone call. Please be aware, however, that unencrypted e-mails are not necessarily a secure form of communication and can occasionally be accessed or intercepted by others.

Client's Responsibilities. Communication is a two-way street. Recognizing that the Firm cannot effectively represent you without your cooperation and assistance, you agree to cooperate fully

with the Firm and to provide promptly all information known or available to you relevant to the Firms' representation, including providing information and documents requested in a timely fashion; cooperating in scheduling and related matters; responding to telephone calls and correspondence in a timely manner; and informing the Firm of changes in your contact information.

Court Sanctions for Failing to Comply. Failure to timely communicate or to comply with rules and court orders could substantially damage your case. There are numerous rules that give the court the power to impose sanctions on a party or an attorney for failure to comply with these rules or with court orders. There are several aspects of these rules that will have an immediate impact on how we proceed with your case. The rules will require us to conduct a reasonable inquiry and investigation about all matters required to be revealed in the disclosure statement. We have the duty to investigate facts that are good and bad. The failure of you or this firm to conduct a reasonable inquiry and investigation into these topics and to disclose all relevant information will subject you, this firm or both to sanctions. Further, any evidence favorable to you that is not timely disclosed cannot be used at trial.

Attorney-Client Privilege. Our communications are generally subject to the attorney-client privilege. This means you should be comfortable sharing the whole truth with us--this is an essential aspect of our relationship. This also means that you should not discuss our communications, especially the content of legal advice, with others. Doing so could waive your attorney-client privilege and make effective representation impossible. If you believe you need to share our communications with a third party such as an accountant or auditor, please discuss the situation with us prior to sharing any communications.

Documents. Please be aware that this is a paperless office. This means that, with limited exceptions, we do not keep original or paper copy documents for clients. If we receive an original document, we will scan it for our file and send it back to you, or otherwise act as appropriate under the circumstances. Even if we have scanned a document for our records, it is still important for you to retain that document for the duration of the litigation, especially if it is an original. If we are maintaining any paper documents, we will notify you at the close of our representation and provide you with the option of picking the documents up, having them shipped at your expense, or having them shredded at the cost of \$50.00 per banker's box. Generally, we do not provide clients with copies of correspondence, pleadings, minute entries, or other court orders, sent out or received by our office. If the letter or pleading is one that we believe is important for your review or consideration, you will receive a copy by email. Of course, you are always free to contact us to request copies of any documents relating to your matter.

Digital Files. Maintaining digital files provides us with near-instantaneous access to file materials, and decreases overhead requirements. Because this office strives to be as paperless as reasonably possible, the digital or electronic files maintained on our computer hard drives are the Firm's actual files relating to our clients and their matters. Because no record keeping system is completely fail-proof, we maintain a duplicate record system. Client files are kept on a hard drive on our server, which is backed up daily to an external hard drive. We will maintain these digital files for a period of five (5) years after the end of our representation, after which time they will be destroyed.

Fee Awards. In matters of litigation, arbitration, or administrative actions, Arizona law generally provides that attorney fees and costs are not recoverable. The typical exception to this general rule is that in matters arising from contract, the courts may have discretion to award attorneys' fees to the prevailing party.

No Guarantee. Nothing in this Agreement and nothing in Firm's statements to Client should be construed as a promise or guaranty regarding the outcome of Client's matter. Client understands that the outcomes of legal proceedings are inherently uncertain and that an adverse decision, judgment, verdict or result may occur regardless of the apparent strength of Client's case. Client acknowledges that Firm has made no promises or guaranties regarding the outcome of the representation.

Billing. We will provide you with a monthly invoice identify the time we have expended on your case. You agree to pay our fees upon receipt of our monthly, interim or final bill in the event that expenses are incurred beyond the flat fee. The flat fee rate of ten thousand dollars and no/100s (\$10,000.00) will be due on the 15th of each month, to begin on July 15, 2019.

Expert Witnesses and Consultants. It may become necessary to retain expert witnesses and outside consultants (including private mediators and arbitrators) in order to adequately represent you in connection with the referenced matter. In the event Firm believes it necessary or advisable to employ expert witnesses or outside consultants in connection with the referenced matter, Client agrees to enter into a written agreement with such expert witnesses and outside consultants and pay such expert witnesses and outside consultants directly in accordance with that agreement. Failure to retain, failure to cooperate fully with, or failure to timely pay the expert witness or consultant could negatively impact your case, and is a basis for allowing this Firm to withdraw as your counsel. Firm shall have no obligation to retain any expert witnesses or outside consultants directly. Nevertheless, in the event Firm does retain any expert witness or outside consultant in connection with the referenced matter or if Firm is charged by any expert witness or outside consultant for any work performed on your behalf, you agree to reimburse Firm for all costs incurred in connection therewith.

Billings. Our statements for services rendered and costs incurred will be prepared and mailed or e-mailed to the address listed above every month. We will make every effort to include our out-of-pocket disbursements in the next monthly statement. However, some disbursements are not immediately available to us and, as a result, may not appear on a statement until sometime after the charges were actually incurred.

Effective Date. This Agreement shall become effective when sent to the Client retroactive to the date Firm first provided services to Client. However, Firm shall be under no obligation to provide legal or other services until Client has paid its Advance Deposit. In the event this Agreement does not take effect, Client will still be obligated to pay Firm the reasonable value of any services Firm may have performed for Client.

Choice of Law and Venue. The laws of the State of Arizona shall govern this Agreement. The parties agree that any action arising out of this Agreement shall be brought in Yavapai County, Arizona.

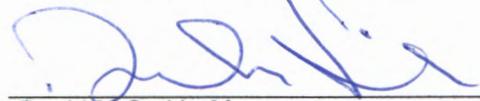
If the terms of our representation as expressed in this agreement are acceptable, please date and sign the enclosed two copies of this letter. We have provided two copies, so that we can each have an original. Alternatively, you can sign, scan and return a copy to our office.

If you do not agree with the terms set forth in this agreement, please call me at once so that any differences can be resolved. Thank you.

Very truly yours,

James E. Ledbetter

ACCEPTED/EFFECTIVE: July 16, _____, 20 19.



David M. Smith, Mayor