

MURPHY • CAMPBELL | GUTHRIE • ALLISTON

A Professional Law Corporation

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November 5, 2009

John Chaquica
George Hills Company
3043 Gold Canal Dr., Ste. 200
Rancho Cordova, CA 95670

Re: Legal Services Agreement with CMHSA

Dear Mr. Chaquica:

This letter is to confirm an agreement by California Mental Health Services Authority to retain the undersigned as general counsel on the terms stated in the proposal submitted to the Authority in advance of its October 15 meeting. Professional services will be charged at the rate of \$185 per hour for partners, \$150 per hour for associates, and \$90 per hour for any paralegal services. These fees are not set by law, but are negotiable between attorney and client.

From time to time, the firm may incur various costs and expenses in performing legal services under this agreement. The Authority agrees to pay for reasonably incurred costs, disbursements and expenses. These costs and expenses commonly include fees fixed by law or assessed by public agencies, messenger or other delivery fees, postage, photocopying and other reproduction costs, travel costs including parking, mileage, transportation, meals and hotel costs, and other similar items.

The services to be provided are to advise and counsel the members of the governing board of the Authority with regard to their responsibilities under applicable laws and regulations, draft or review agreements entered into by the Authority, review and revise organizational and other documents, and undertake other tasks as requested by the board.

This firm will send monthly statements to you as manager of the Authority describing the amount, rate, basis of calculation or other method of determination of the fees and costs, which costs will be clearly identified by item and amount. Bills are due and payable on receipt. Each bill which remains unpaid thirty (30) days after the billing date will be subject to a late charge of 0.83 percent per month (9.96 percent per annum). However, no such charges will be imposed during the first 60 days after this agreement, in recognition for the fact that the Authority is only now invoicing its members for initial contributions.

This agreement has no set time period, and the Authority may discharge this firm at any time. The firm may withdraw with the Authority's consent or for good cause such as breach of this agreement, refusal to cooperate or to follow firm's advice on a material matter, or any fact or

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circumstance that would render this firm's continuing representation unlawful or unethical. After services conclude, the firm will, upon request of the client, deliver any documents or other items received from the client.

If any provision of this agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and the entire agreement will be severable and remain in effect. This agreement may be modified by subsequent agreement of the parties only by an instrument in writing signed by both of them.

The effective date of this agreement will be the date when it is executed by the last of the parties to do so. This agreement will govern all legal services performed by the firm on behalf of the Authority commencing with the date the firm first performed services even if that date precedes the date this agreement has been signed by both parties. Even if this agreement does not take effect, the Authority may be obligated to pay the firm for the reasonable value of any services it may have performed for the Authority.

Please contact me if you have any questions. I have enclosed a copy of this letter. Please sign and return the copy if you agree on behalf of the Authority to its terms.

Very truly yours,

MURPHY CAMPBELL GUTHRIE & ALLISTON



Douglas R. Alliston

Approved on behalf of the California Mental Health Services Authority

Date: 11/13/09

By: 

Allan Rawland, President