



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: County Counsel  
Department No.: 013  
For Agenda Of: January 8, 2019  
Placement: Administrative  
Estimated Time:  
Continued Item: No  
If Yes, date from:  
Vote Required: 4/5

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**TO:** Board of Supervisors  
**FROM:** County Counsel Michael C. Ghizzoni, County Counsel (805) 568-2950  
Contact Info: Same  
**SUBJECT:** Contingent-Fee Contract With The Law Firm Of Keller Rohrback, L.L.P., For Litigation Services In An Action To Be Filed By The County Against Certain Opioid Manufacturers And Distributors

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**County Counsel Concurrence**

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

- a) Approve and authorize the Chair to execute a contingent-fee Professional Services Contract with the law firm of Keller Rohrback L.L.P., for the preparation and handling of litigation to be filed by Santa Barbara County, against certain manufacturers and distributors of prescription opioids, to recover the County's damages from opioid drug misuse caused by the deceptive marketing and sale of prescription opioids, and to obtain other remedies to mitigate this problem; and
- b) Determine that the above action is not a project under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Sections 15378(b)(4) and 15378(b)(5) because it consists of government administrative or fiscal activities that will not result in direct or indirect physical changes in the environment.

**Summary Text:** In Closed Session on December 11, 2018, the Board of Supervisors directed the initiation of litigation against certain manufacturers and distributors of prescription opioids, to recover the County's damages from opioid drug misuse caused by the deceptive marketing and sale of prescription opioids, and to obtain other remedies to mitigate the problem going forward. The misuse of prescription opioids within Santa Barbara County has caused increased costs for several County departments, including but not limited to: Sheriff's Office, Public Health, Behavioral Wellness, District Attorney and Public Defender. Other than County staff time, there would be no present financial impacts to the County from this contingent-fee agreement, since it provides that the County: 1) will pay a 17% contingent-fee only on any net recovery; and 2) will not pay fees, costs, or expenses out of any public funds other than the monies recovered through this litigation.

**Background:** Nationally, opioids have caused the deaths of more than 350,000 people, including within Santa Barbara County.<sup>1</sup> The sale of opioids quadrupled in the United States between 1999 and 2010.<sup>2</sup> In 2016, the number of overdose deaths involving opioids (prescription and illegal, i.e., heroin and illicitly manufactured fentanyl) was 5 times higher than in 1999.<sup>3</sup> In Santa Barbara County, the number of opioid overdose deaths was almost 6 times higher in 2015 than in 2008.<sup>4</sup>

Santa Barbara County's opioid prescription rate, death rate, and emergency department visits due to opioids are greater than the statewide average.<sup>5</sup> According to the County's Department of Behavioral Wellness, in Santa Barbara County there were 63 opioid-related accidental deaths in 2015, 43 deaths in 2016, 34 deaths in 2017, and 21 deaths in the first 6 months of 2018, 4 of which are Fentanyl-related. Behavioral Wellness identified opioid misuse as one of the top four priority areas in Santa Barbara County in its 2017-2022 Alcohol and Other Drug Strategic Prevention Plan.

In September 2015, Behavioral Wellness implemented an Overdose Prevention Program which provides Naloxone, an opioid overdose antidote, to first responders to use on potential overdose victims. Since then, Behavioral Wellness reports having distributed over 1,500 Naloxone kits, commonly known as NARCAN, to targeted individuals and agencies most likely to witness an overdose. The administration of NARCAN has been linked to the decrease in opioid-related deaths in Santa Barbara County since 2015. From the program's inception in 2015 to December 15, 2018, there have been 404 overdose reversals by County staff and about a dozen by the Sheriff's Office. By the end of 2019, Behavioral Wellness intends to create an office-based buprenorphine induction clinic (OBIC) within its system of care to treat opioid use disorders.<sup>6</sup>

An Opioid Multidistrict Litigation ("MDL") was formed in order to streamline the thousands of cases being brought against manufacturers and distributors of prescription opioids by government entities across the nation. Keller Rohrback, L.L.P. represents several of these entities in the MDL.

**Fiscal and Facilities Impacts:** We estimate that County staff support of this litigation will require up to 200 hours of staff time across multiple departments, with most of that time involving document production. Other than that, there is no present financial impact from this agreement since the County would pay Keller Rohrback a 17% contingency fee only on any net recovery:

- The scope of representation for that contingent fee includes both trial and any appeal, if needed;
- "Costs and expenses" -- including expert fees -- are advanced by the law firm, and repaid by the County only if the County recovers that amount or more from the defendant; and
- The County would not be required to pay Attorneys' Fees or any other costs or expenses out of the any public funds other than monies recovered from this litigation.

Budgeted: N/A

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<sup>1</sup> Centers for Disease Control and Prevention ("CDC"), Opioid Basics – Understanding the Epidemic, available at <https://www.cdc.gov/drugoverdose/epidemic/index.html>.

<sup>2</sup> CDC, Vital Signs: Changes in Opioid Prescribing in the United States, 2006–2015, available at <https://www.cdc.gov/mmwr/volumes/66/wr/mm6626a4.htm>.

<sup>3</sup> CDC, 3 Waves of Opioids Deaths, available at <https://www.cdc.gov/drugoverdose/epidemic/index.html>.

<sup>4</sup> California Opioid Overdose Surveillance Dashboard ("CA Dashboard"), available at <https://discovery.cdph.ca.gov/CDIC/ODdash/>.

<sup>5</sup> California Opioid Surveillance Dashboard available at <https://discovery.cdph.ca.gov/CDIC/ODdash/>.

<sup>6</sup> Santa Barbara County Recommended Budget 2017-2019, p. D-216, <http://countyofsantabarbara/ceo/asset.c/3276>.

**Key Contract Risks:** Even though this is a contingent-fee agreement -- versus a standard service contract -- we reviewed the Contract Risk Assessment Worksheet as part of our process. Contract Paragraph 3 provides the essential control terms of this agreement, including that the Board of Supervisors, acting through County Counsel, expressly retains “complete control” over the case, including decisions regarding settlement. Contract Paragraph 7.h. provides that in no event will the County be required to pay attorney’s fees or any costs and expenses out of any public funds other than the monies recovered through the litigation. A Request for Proposals was not required for this selection. In preparing for this litigation, though, we met with representatives from a total of three law firms.

**Staffing Impacts:**

Discussed in more detail on Page 2, existing County staff will be utilized to support this litigation.

**Special Instructions:**

None.

**Attachments:**

Attorney Engagement & Contingency Fee Agreement

**Authored by:**

Michael C. Ghizzoni, County Counsel

**cc:** Behavioral Wellness  
Public Health  
Sheriff’s Office  
District Attorney  
Public Defender

**ATTACHMENT**  
**Attorney Engagement & Contingency Fee Agreement**

## ATTORNEY ENGAGEMENT & CONTINGENCY FEE AGREEMENT

It is HEREBY ACKNOWLEDGED AND AGREED by and between Santa Barbara County, a political subdivision of the State of California (“Client”) and Keller Rohrback L.L.P. (“Attorneys”) as follows:

1. **Employment.** Client hereby retains Attorneys to represent Client with respect to potential claims of Client against the manufacturers, wholesalers and distributors of prescription opioid painkillers. Attorneys will assist Client in gathering information and data relevant to Client’s potential claims. Attorneys will also advise Client with respect to those potential claims. At Client’s request, Attorneys will institute proceedings, including on appeal if needed, to seek remedies on Client’s behalf as Client and Attorneys conclude is appropriate and advisable (“the Lawsuit”).
2. **Responsibility of Client.** Client will maintain control of all aspects of the litigation, including the investigation and all key decisions, including whether and how to proceed with litigation, which claims to advance, and what relief to seek. As described more fully in Section 3, below, Client will determine, in its sole discretion, whether to move forward with litigation or settlement. Client agrees to timely comply with any of Attorneys’ requests. Client agrees to advise Attorneys of all facts, knowledge, or information relevant to Attorneys’ representation of Client, including facts, knowledge, or information which come to Client’s attention after execution of this Agreement. Client agrees to timely review and respond to documents and communications from Attorneys.
3. **Client Retains Authority Over Case.** Pursuant to California Government Code Section 25203, the County of Santa Barbara’s Board of Supervisors directs and controls the conduct of litigation in which the County of Santa Barbara, or any public entity of which the Board of Supervisors is the governing body, is a party. Client, acting by and through its County Counsel, retains complete control over the course and conduct of the case, including control over all decisions to be made in prosecuting the case. The County Counsel in no way assigns his prosecutorial discretion to Attorneys and retains all of its inherent powers related to prosecutorial discretion, judgment, control and decision making related to the Lawsuit. Attorneys will report to and work under the direction and control of the County Counsel as provided in this Agreement. The County Counsel, as the chief legal officer of the County, shall retain final authority over all aspects of the Lawsuit including, but not limited to, settlement of claims that affect it.

Client and Attorneys agree that the County Counsel, in consultation with Client, will review and decide, among other matters, the following specific issues: (1) ultimate disposition of the case, including but not limited to settlement, (2) witnesses and evidence to be presented at trial, (3) waiver of jury trial, (4) final approval of all dispositive motions and any oppositions to such motions, (5) selection of consultants and experts, (6)

ATTORNEY ENGAGEMENT & CONTINGENCY FEE  
AGREEMENT

Keller Rohrback L.L.P.  
801 Garden Street, Suite 301  
Santa Barbara, CA 93101  
(805)456-1497

approval of any expert reports, (7) overall discovery approach, and (8) all other questions of litigation and trial strategy. County Counsel retains veto power over any decisions made or proposed to be made by Attorneys. Decisions regarding settlement of the case are reserved exclusively to the discretion of the County of Santa Barbara's Board of Supervisors, through its County Counsel.

Further, any defendant in the action may contact the County Counsel directly without having to confer with Attorneys.

These provisions are not meant to be exhaustive, and the parties agree that at all times the final authority for discretionary decisions will remain vested in Client's County Counsel and that Attorneys serve in a subordinate role at the County Counsel's direction.

4. **Multi-Party Representation.** Client understands that it is one of multiple governmental plaintiffs being represented by Attorneys in opioid litigation. Client consents to such representation and waives any potential conflict that might arise from such representation of other governmental entities. Client recognizes and agrees that an aggregate settlement of multiple opioid cases at one time may be reached. In this scenario, the claims brought on behalf of Client may be settled only with Client's prior approval. Client has final decision-making authority as to whether to accept any proposed settlement of Client's claims. If Client rejects any such settlement proposal(s), Attorneys shall continue to represent Client through any trial and appellate proceedings of Client's claims, except as indicated below. Client's decision to reject the proposed settlement shall not prevent other clients represented by Attorneys in opioid-related litigation from accepting an aggregate settlement or otherwise resolving their own claims.
5. **Client Representative.** Client designates Santa Barbara County Counsel to be the Client's Representative. The Client's Representative, or that person's designee, is responsible for receiving all communications from Attorneys and transmitting all communications from Client to Attorneys. Client agrees that Attorneys may rely on Client's Representative's statements as an accurate reflection of Client's position and desires. Attorneys agree to keep the Client's Representative informed of all significant developments regarding the representation.
6. **Responsibility of Attorneys.** The primary attorneys representing Client are Juli Farris, Derek Loeser, David Ko, Daniel Mensher, Alison Chase, Alison Gaffney, Gabe Verdugo and Matthew Preusch. Although the individual attorneys listed will be primarily responsible to represent Client in this matter, other members of Keller Rohrback may work on Client matters in accordance with their areas of practice. Attorneys will provide regular reports to the Client, through the Client's Representative, on the investigation and key events in the litigation. Attorneys will consult with Client, through the Client's Representative, in connection with any settlement proposal before accepting same. If

Client rejects any such settlement proposal(s), Attorneys shall continue to represent Client through any trial and appellate proceedings of Client's claims, except as indicated below. If Attorneys become aware of any potential conflicts of interest between the Client and any other client of the Firm in the opioid litigation either prior to Attorneys commencing service for Client or during the course of litigation, Attorneys will immediately provide Client with all necessary information regarding the potential conflict.

7. **Attorneys' Fees.** The fee set forth in this Agreement is not set by law, but is negotiable between Attorneys and Client. Attorneys' compensation shall not exceed any limits on compensation imposed by law. Other than as set forth in Section 10, below, the fee that Client agrees to pay Attorneys ("Attorneys' Fee") will depend on the outcome of the Lawsuit as set forth here:
- a. The Attorneys' Fee shall be a contingent fee in the amount of seventeen percent (17%) of the Net Recovery.
  - b. "Net Recovery" means the amount remaining after costs and expenses are deducted from the "Sums Recovered." The Attorneys' Fee is calculated by multiplying the net recovery by the fee percentage of seventeen percent (17%).
  - c. "Sums Recovered" means the total recovery, whether by settlement, arbitration award, court judgment following trial or appeal, or otherwise. "Sums Recovered" shall include, without limitation, the following: (1) the then-present value of any monetary payments to be made to Client; and (2) the fair market value of any non-monetary property and services to be transferred and/or rendered for the benefit of Client; and (3) any attorneys' fees recovered by Client as part of any cause of action that provides a basis for such an award. "Sums Recovered" may come from any source, including, but not limited to, the adverse parties to the Lawsuit and/or their insurance carriers and/or any third party, whether or not a party to the Lawsuit. Specifically excluded from the "Sums Recovered" is any monies or funds paid directly to Client through this litigation for which any Federal or State agency, including but not limited to, the California Departments of Public Health, Health Care Services or the U.S. Department of Health and Human Services, requires and receives payment of such funds from Client for reimbursement of funds previously provided to Client in response to the opioid epidemic.
  - d. If the Court awards Client a monetary judgment and an attorneys' fee, and the attorneys' fee is greater than the percentage Attorneys would be entitled to under Sections 7(a)-(c), then Attorneys will be entitled to the full attorneys' fee awarded by the Court. In such event, Attorneys shall not be entitled to the 17% of the Net Recovery from Client that would otherwise be awarded under Section 7(a).

- e. If Client and Attorneys disagree as to the fair market value of any non-monetary property or services as described above, Attorneys and Client agree that a binding appraisal will be conducted to determine this value.
  - f. It is possible that payment to the Client by the adverse parties to the Lawsuit or their insurance carrier(s) or any third-party may be deferred, as in the case of an annuity, a structured settlement, or periodic payments. In such event, net recovery will consist of the initial lump sum payment plus the present value (as of the time of the settlement) of the total of all payments to be received thereafter. The Attorneys' Fee is calculated, as described above, by multiplying the net recovery by the fee percentage. The Attorneys' Fee will be paid out of the initial lump-sum payment if there are sufficient funds to satisfy the Attorneys' Fee. If there are insufficient funds to pay the Attorneys' Fee in full from the initial lump sum payment, the balance owed to Attorneys will be paid from subsequent payments to Client before there is any distribution to Client.
  - g. In the event that the contingent fee portion of this agreement is determined to be unenforceable for any reason, or the Attorneys are prevented from representing Client on a contingent fee basis, Client agrees to pay a reasonable fee for the services rendered which shall not exceed 17% of the Net Recovery. If the parties are unable to agree on a reasonable fee for the services rendered, Attorneys and Client agree that the fee will be determined by arbitration proceedings before a neutral affiliated with the Judicial Arbitration and Mediation Services (JAMS); in any event, Attorneys and Client agree that the fee determined by arbitration shall not exceed seventeen percent (17%) of the net recovery as defined in this agreement.
  - h. Notwithstanding any other provision in this Agreement, in no event will Client be required to pay Attorneys' fees or any costs and expenses out of any public funds other than the monies recovered from the defendants or other parties responsible for the events described in the Lawsuit or the resulting damages, as well as their insurance companies, or third-party liable companies.
8. **Advice Concerning Attorneys' Fee.** Client has been informed of the alternative of employing Attorneys on an hourly fee basis. This alternative would require the payment of a \$25,000 retainer at commencement of the representation, payment of costs as incurred, and payment of legal fees each month for legal services. In deciding to engage Attorneys on a contingency fee basis, Client has considered the risks involved in this case, the experience and reputation of Attorneys, and the uncertainty regarding the number of hours required to prosecute the case.
9. **Costs.** Attorneys will advance all "out-of-pocket" costs, fees, and expenses incurred by Attorneys in pursuing the Lawsuit ("Costs"). Client will not be responsible for payment



or reimbursement of Costs, except as described below in the event of a recovery. Notwithstanding the foregoing, Attorneys agree to notify and obtain Client's consent before incurring Costs aggregating more than \$10,000 in any single month.

Client is aware that Attorneys are representing multiple clients and that said costs shall be allocated among all Attorneys' clients, except those costs specifically incurred on behalf of Client (Santa Barbara County).

Client understands that Attorneys shall seek reimbursement from defendants for all Costs actually expended, but that there is no guarantee that Costs will be reimbursed by the defendants to Attorneys. Attorneys will be reimbursed for all Costs out of any settlement or recovery in addition to any Attorneys' Fees they receive under Sections 7 or 10, as the case may be. Attorneys shall be reimbursed for Costs first, from any monies paid by a defendant on account of Cost reimbursement and, if such monies are insufficient, from any monies paid as part of the Sums Recovered.

Attorneys may, with Client's prior consent which shall not unreasonably be withheld, hire any expert or consultant whose services Attorneys deem necessary for the evaluation or prosecution of any of the claims within the scope of the Lawsuit.

**NO ATTORNEYS' FEES OR COSTS SHALL BE PAID IF NO RECOVERY IS MADE. IN THE EVENT RECOVERY IS LESS THAN INCURRED COSTS, CLIENT WILL NOT BE REQUIRED TO REIMBURSE ATTORNEYS FOR COSTS, ABOVE AND BEYOND THE RECOVERY, AND FEES.**

10. **Withdrawal or Discharge.** Subject to Court rules and other applicable laws, Attorneys shall have the right to withdraw from representation of Client upon giving reasonable notice of the intention to withdraw. In the event of withdrawal of Attorneys or discharge of Attorneys by Client, Attorneys may seek reasonable fees for services rendered prorated according to the terms of Section 7, above, if there is a recovery by Client. If there is no recovery, Attorneys shall not be entitled to any Attorneys' Fee or Costs. Client shall have the right to discharge Attorneys at any time. If Client discharges Attorneys, Attorneys retain the right to seek reasonable prorated fees for services rendered as set forth in Section 7.g. above.
11. **Insurance.** Attorneys shall procure and maintain for the duration of this Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by Attorney, its agents, representatives, employees or subcontractors.

1. **Minimum Scope of Insurance.** Coverage shall be at least as broad as:

- a. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 0001 covering CGL on an “occurrence” basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
- b. Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Attorneys have no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
- c. Workers’ Compensation: as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
- d. Professional Liability (Errors and Omissions) Insurance appropriate to Attorneys’ profession, with limit of no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

If Attorneys maintain higher limits than the minimums shown above, Client requires and shall be entitled to coverage for the higher limits maintained by Attorney. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to Client.

B. Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions:

- a. Additional Insured. Client, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of Attorneys including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to Attorneys’ insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).
- b. Primary Coverage. For any claims related to this Contract, Attorneys’ insurance coverage shall be primary insurance as respects Client, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by Client, its officers, officials, employees, agents or volunteers shall be excess of Attorneys’ insurance and shall not contribute with it.
- c. Notice of Cancellation. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to Client.

d. Waiver of Subrogation Rights. Attorneys hereby grant to Client a waiver of any right to subrogation which any insurer of said Attorneys may acquire against Client by virtue of the payment of any loss under such insurance. Attorneys agree to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not Client has received a waiver of subrogation endorsement from the insurer.

e. Deductibles and Self-Insured Retention. Any deductibles or self-insured retentions must be declared to and approved by Client. Client may require Attorneys to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

f. Acceptability of Insurers. Unless otherwise approved by County of Santa Barbara's Risk Management Division, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII."

g. Verification of Coverage. Attorneys shall furnish Client with proof of insurance, original certificates and amendatory endorsements as required by this Contract. The proof of insurance, certificates and endorsements are to be received and approved by Client before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive Attorneys' obligation to provide them. Attorneys shall furnish evidence of renewal of coverage throughout the term of the Contract. Client reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

h. 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, Client has the right but not the obligation or duty to terminate the Contract. Maintenance of required insurance coverage is a material element of the Contract and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by Client as a material breach of contract.

i. Subcontractors. Attorneys shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Attorneys shall ensure that Client is an additional insured on insurance required from subcontractors.

j. Claims Made Policies. If any of the required policies provide coverage on a claims-made basis:

i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.

ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.

iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, Attorney must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

k. Special Risks or Circumstances. Client reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

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) days of receipt.

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

12. **Records, Audit, and Review.** Attorneys shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of Attorneys' profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting principles. Client shall have the right to audit and review all such documents and records at any time during Attorneys' regular business hours or upon reasonable notice. In addition, if the payments made to Attorneys under this Agreement exceed ten thousand dollars (\$10,000.00), Attorneys shall be subject to the examination and audit of the California State Auditor, at the request of the Client or as part of any audit of the Client, for a period of three (3) years after final payment under the Agreement (Cal. Govt. Code Section 8546.7). Attorneys shall participate in any audits and reviews, whether by Client or the State, at no charge to Client.

If federal, state or Client audit exceptions are made relating to this Agreement, Attorney shall reimburse all costs incurred by federal, state, and/or Client governments associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from Client, Attorneys shall reimburse the amount of the audit exceptions and any other related costs directly to Client as specified by Client in the notification.

13. **Venue and Attorneys' Fees.** The Parties agree that in the event any dispute should arise with respect to this Agreement, venue shall lie in the Superior Court, County of Santa Barbara, State of California. Any dispute shall be submitted to binding arbitration before a neutral affiliated with the Judicial Arbitration and Mediation Services (JAMS). Said arbitration costs shall be split equally by the parties.
14. **Outcome.** Attorneys do not guarantee or represent a particular result in this Lawsuit. Client understands the risks associated with pursuing this Lawsuit.
15. **No Other Agreements.** Client has read this contract, has received a copy of it, and agrees to its terms and conditions. There are no oral or other agreements between Client and Attorneys. This Agreement when signed below by Client replaces any prior understandings or oral agreement between Client and Attorneys.
16. **Governing Law.** This Agreement and all aspects of the Parties' relationship shall be construed under the laws of the State of California, without regard to choice of law principles.
17. **Other Provisions.** This Agreement may be executed in one or more counterparts and transmitted by mail, overnight delivery service, and/or email, each one of which shall constitute an original and all of which shall constitute one and the same document.

**ATTEST:**  
Mona Miyasato  
County Executive Officer  
Clerk of the Board

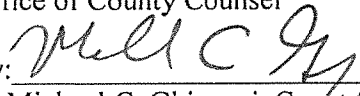
**COUNTY OF SANTA BARBARA ("Client"):**

By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Chair, Board of Supervisors

**RECOMMENDED FOR APPROVAL:**  
Office of County Counsel

Date: 12/19/18

By:   
Michael C. Ghizzoni, County Counsel

**KELLER ROHRBACK L.L.P. ("Attorneys"):**

By:   
Juli Parris, Partner


Date: 12/19/18

ATTORNEY ENGAGEMENT & CONTINGENCY FEE  
AGREEMENT

Keller Rohrback L.L.P.  
801 Garden Street, Suite 301  
Santa Barbara, CA 93101  
(805)456-1497


**APPROVED AS TO FORM:**

Michael C. Ghizzoni  
County Counsel

By:   
County Counsel

**APPROVED AS TO ACCOUNTING FORM:**

Betsy M. Schaffer, CPA  
Auditor-Controller

By:   
Deputy Auditor-Controller

**APPROVED AS TO FORM:**

Risk Management

By:   
Risk Manager

4829-8511-7058, v. 1