

MENKE JACKSON BEYER, LLP

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July 5, 2022

Mayor M. Gregory McCunn
CITY OF CHEWELAH
P.O. Box 258
Chewelah, WA 99109

via email

RE: Terms of Engagement for Providing Services

Dear Mayor McCunn:

Thank you for engaging Anthony F. Menke of Menke Jackson Beyer, LLP, to represent the City of Chewelah. We are pleased to have you as a client and look forward to working with you.

This letter and the attached Statement of Terms will govern our engagement. Please review the terms carefully and, if you have any questions or concerns about them, please contact me to discuss them. Except as to the scope of representation, the terms of this letter and the attached Terms will apply to future matters about which you request our representation.

Scope of Representation. The Mayor hereby engages Anthony F. Menke to provide counsel, representation and assistance regarding labor law and employment law matters as determined by the Mayor or City Administrator. Our services are limited to providing the foregoing representation and do not extend to the City's general business or legal affairs. You understand and agree that our receipt or use of confidential or other information will not give rise to any expectation we will render any other advice or services.

Responsibility. The attorneys and paralegals of our firm have extensive experience in a variety of legal specialties and disciplines. We assign work to the person best suited to perform it, with the goal of creating the best quality product on the most cost-effective basis. At all times, however, I will remain responsible and accountable to you. If you have any question or concern about our staffing or provision of services to you, please do not hesitate to contact me (509-575-0313).

Fees. As the attached Statement explains, our fees are normally based on the hourly rates for attorneys but may be adjusted for the level of experience and expertise the attorney has. These rates are reset from time to time and reflected in the following month's billing statement

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normally at the beginning of the year. My current hourly rate is \$250.00. The hourly rate for associate attorneys is \$200.00 and for paralegals is \$100.00. Travel time is billed at the hourly rate and billings are based on a one-quarter (1/4) hour minimum.

Invoices. As explained in the attached statement, we invoice monthly and request payment upon receipt. We reserve the right to charge interest on unpaid invoices. If any invoice remains unpaid for more than 60 days, we may, consistent with our ethical obligations and requirements, cease performing services until satisfactory arrangements have been made.

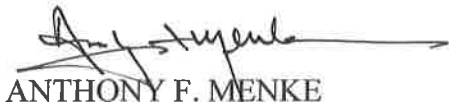
Document Retention. Please note that at the conclusion of the engagement, you may request the return of original records you have provided to us, and original records created for you. If you so request you agree to pay copying expenses. Materials associated with this matter that are not returned may be destroyed in accordance with our file retention policy.

Term of Agreement. This engagement started June 27, 2022 based on the Mayor's email affirmation that he wished for me to provide counsel on the pending projects and the term of this Agreement is until December 31, 2022 or longer if the parties mutually agree to a longer period depending on the status of pending labor law matters.

Agreement. If the terms meet your approval, please sign and return the enclosed copy to me upon receipt.

We appreciate your choice of Menke Jackson Beyer, LLP, to serve your legal needs. As in every engagement we undertake, our goal is to understand your needs, provide the highest quality service and exceed your expectations. If you have any questions about our engagement, please contact me.

Respectfully yours,



ANTHONY F. MENKE

Senior Partner

AFM:tah

Enclosure

City of Chewelah, by its Mayor, agrees to the above terms of engagement.

Mayor M. Gregory McCunn

MENKE JACKSON BEYER, LLP
STATEMENT OF TERMS OF ENGAGEMENT

In addition to the foregoing letter, the following terms are an important part of our agreement with you and may be modified only if both parties agree in writing. Unless expressly changed, these terms will apply to the matter described in the engagement letter and to future matters in which we represent you. Please review these terms carefully and keep this document and the engagement letter in your files.

CONFLICTS

We have examined our internal data to determine whether any conflicts of interest exist that would preclude us from representing you, and have found no such conflicts. Our examination is based upon our existing information and the information you have provided to us. Because circumstances change, both we and you must be continually alert to the development of additional information that may give rise to a conflict. Please call us immediately if you become aware of such information.

COOPERATION

We want to provide you the best representation possible. To do so, it is essential that you cooperate with us by providing timely, complete, and accurate responses to our requests for information. In addition, it may be necessary for you to make employees available to discuss issues and to participate in meetings, work sessions, or judicial proceedings related to the matter. We cannot be responsible for the consequences of a failure to cooperate in these respects: not only will it hinder our ability to represent your interests, but it could necessitate our withdrawal from representation.

CONFIDENCES

With rare exceptions, ethical rules prevent us from disclosing to persons outside our firm information we have obtained from a client, without first obtaining the client's permission to do so. In many engagements, however, we may work with persons outside our firm who have been retained to perform services on the client's behalf. You agree that in the event such persons are retained on your behalf, we can disclose to such persons information that is, in our judgment, necessary to the performance of their duties and to the representation of your interests. Our effective representation also may require disclosures of information among members of our firm, but we will never make such disclosures unnecessarily.

CLIENT DEPOSITS

As a general practice, and consistent with our ethical and fiscal responsibilities, we will deposit any advance deposit in a pooled interest-bearing trust account called an IOLTA account, a statewide procedure approved by the Washington Supreme Court. The interest accruing on such funds, net of transaction costs, is paid to the Legal Foundation of Washington, which uses it to provide lawyers to persons who cannot afford them. The interest is not taxable to clients. Unless you request otherwise, we will place such deposits into the IOLTA account. If you do request otherwise in writing, and if funds are such that interest would exceed accounting fees and expenses, we will establish a separate trust account for your funds. In that event, interest earned, net of the financial institution's charges, will be deposited in that trust account and taxable to you.

FEES

Our fees will be primarily based on the amount of time spent by lawyers, paralegals, and in some cases, other professionals or law clerks. Fees are determined by multiplying the number of hours worked by the hourly rate of the person performing the work. The rates charged will be those in effect at the time the work is performed. Our rates are based upon an individual's experience and expertise. Our rates are reviewed annually and may be adjusted without notice.

We are often asked to estimate the amount of fees and costs likely to be charged in connection with a particular matter. Whenever possible, we will be happy to furnish such an estimate based on our best professional judgment. However, it is important to understand that any such estimate is not a guaranteed maximum. We generally cannot give maximum fee quotations because it is often not possible to predict exactly how much time and effort will be required. This is especially true in matters involving litigation or negotiation, where factors that are not within our control often affect the ultimate fee.

Each month before a bill is issued, a review is performed to assess the nature and quality of the services performed, and in cases where there is a disparity between the services rendered and the time charged, the bill is adjusted as appropriate. Time charges are not absolutes to which we adhere without

analysis. We may consider factors other than time such as the novelty or complexity of issues and problems encountered, the extent of responsibility involved, the results achieved, the efficiency of our work, and the customary fees for similar legal services in arriving at a fair fee.

COSTS AND DISBURSEMENTS

A variety of costs may be incurred in the course of our representation of your interests. These may include charges for long distance telephone, delivery or messenger services, faxing, photocopying, travel expenses, filing fees, court reports, transcripts, witness fees, service of process, and the use of other service providers, such as expert witnesses and court reporters. We may also charge for computerized legal research services, as the use of such services greatly reduces lawyer research time and thus assists in controlling the cost to you.

Any disbursements advanced by our firm are done as a courtesy to the client and to expedite performance--the client is liable for all advanced disbursements. Please note that billing of such costs may lag the actual expenditures because of delays in the receipt of third-party bills and the posting of accounts. In certain circumstances, we may request that you pay expenses directly to a service provider.

PAYMENT OF INVOICES

Unless otherwise agreed, invoices will be sent monthly reflecting work performed in the previous month, as well as expenses or disbursements incurred on your behalf. Payment is due upon receipt of our invoice, and should be made by check or sent by wired funds to "Menke Jackson Beyer, LLP." If we do not receive questions about the invoice within 30 days from the date of the invoice, we will assume that you have reviewed the invoice and found it in order. Unless otherwise agreed, bills not paid within 30 days shall accrue interest at an annual rate of 9% (or .75% per month). If any invoice remains unpaid for more than 60 days, we may, consistent with our ethical obligations and judicial requirements, cease performing services for you until arrangements satisfactory to the firm have been made for payment of the account in arrears as well as future fees.

DELINQUENT ACCOUNTS

Should an account become delinquent, the firm has collection procedures that it will follow to ensure that the account is paid promptly. These collection procedures have been established in fairness to the very high percentage of the firm's clients who pay their bills each month as rendered.

TERMINATION OF REPRESENTATION

Both you and we have the right at any time to terminate the attorney-client relationship. If you decide to terminate the relationship, you must notify us immediately of your decision in writing. Your termination of our representation does not eliminate your responsibility to pay for work performed prior to termination.

If we determine that we are no longer able to represent you, we will abide by the applicable Rules of Professional Conduct regarding the withdrawal of representation.

QUESTIONS?

We encourage you to be frank with us about how best we can serve you. If you have any questions about any aspect of our arrangements, please do not hesitate to discuss them with the attorney responsible for your matter.

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