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August 13, 2024

VIA EMAIL abarton@mccfl.org and TylerS@co.wasco.or.us

Mr. Al Barton
Executive Director
Mid-Columbia Center for Living
1060 Webber Street
The Dalles, OR 97058

Mr. Tyler Stone
Administrative Officer
Wasco County
511 Washington Street, Suite 101
The Dalles, OR 97058

Re: *Engagement Letter*

Dear Al and Tyler,

We are delighted that you have chosen to jointly engage Hatfield Knivila, LLC (“We” or “Firm”) to represent Mid-Columbia Center for Living and Wasco County (“Client” or “you”). Please read this letter carefully as it establishes the terms of our attorney-client relationship.

You have engaged us to provide legal advice related to Medicaid issues concerning the planned Resolution Center (“Engagement”). This Engagement is limited to the matter specifically described. However, we may agree to advise you on other matters as requested. The terms of this letter will apply to those future engagements. The attorney-client relationship exists only between our Firm and the individual or entity identified as Client above. This engagement does not give rise to an attorney-client relationship with any other party, including for example any parent, subsidiary, owner, officer, or employee. We may represent clients adverse to these affiliates in matters unrelated to this Engagement.

Standard Terms and Conditions. This Agreement describes the specific terms of our representation of you in this matter and includes two parts: (a) this engagement letter and (b) the Terms and Conditions attached to this letter as Exhibit A (“Exhibit A” or the “Terms and Conditions”) which are incorporated by this reference. In the event of a conflict between the

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express terms of this letter and our Standard Terms and Conditions, the terms in this letter shall govern.

Insurance. Unless specifically requested, we will not review your insurance policies to determine whether they may cover some or all costs or damages associated with this Engagement, nor will we notify your insurer of this Engagement. We encourage you to reach out to your broker or carrier if you have any questions about your coverage.

Fees. Unless we agree to other arrangements, the principal factors that determine our fees incurred in connection with the Engagement are the time devoted to the matter and the hourly rates of the attorneys and staff involved in the matter. Our current hourly attorney rates are \$550 for Kelly Knivila, \$500 for Tim Hatfield, \$425 for Ronak Chokhani, and \$440 for Bruce Knivila. We have agreed to discount these rates by 10%. Billing rates are adjusted each January. Legal services provided after the effective date of the new rates will be charged at the new applicable rates.

Billing and Payment. We will send invoices monthly to you jointly, which will include narratives of the legal services performed and itemize expenses. By signing below, you each agree to be responsible for one-half of the amount owing. Please remit payment as soon as possible and no later than thirty (30) days after the date of the invoice.

Protected Health Information. Please do not send us any Protected Health Information (“PHI”) without our prior written consent. If this Engagement requires us to review PHI, we will provide you with a form of our business associate agreement and a link to a HIPAA-secure file transfer system. We ask that you never email us PHI except through your own HIPAA secure system or our HIPAA-secure file transfer system.

You have the right, and we encourage you to consult independent counsel of your own choice regarding the terms in this Agreement before you sign it. You may also consult independent counsel at any time during our relationship if you wish to do so. If you sign this Agreement, you are agreeing to each of its terms set forth in this Agreement, including any disclosures and consents to any conflict-of-interest provisions contained in this Agreement; your signature below and agreement to these terms means that you have either consulted independent counsel about this Agreement or you voluntarily chose not to do so.

Please call or email me if you have any questions. If the terms of this Engagement are acceptable to you and fully reflect the terms of our mutual understanding, please sign the letter in the space below and return a copy.

Regards,


A handwritten signature in blue ink, appearing to read "Kelly Knivila". The signature is fluid and cursive, written over a white background.

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**THE UNDERSIGNED ACKNOWLEDGES AND ACCEPTS THE TERMS OF
ENGAGEMENT**



Al Barton
Title: Executive Director, Mid-Columbia Center for Living
Date:



Tyler Stone
Title: Administrative Officer, Wasco County
Date: 8/30/2024

STANDARD TERMS AND CONDITIONS

Fees. Unless otherwise agreed to in writing by the Client and The Firm, we will compute our fees for the legal services we provide based on the amount of time spent on the matter by various lawyers and legal assistants multiplied by their individual hourly billing rates.

Costs. The attorneys' fees set forth above do not include cost advances or out-of-pocket expenses of representing you in this engagement. Such costs and expenses will be billed to you and clearly noted on our invoices, in addition to the fees for services. For example, we may include in our statements separate charges for services such as copying, messenger and delivery service, travel, computer research and filing fees. If agreed to in writing, the Client authorizes us to retain any investigators, consultants, or experts necessary in our judgment to represent the Client's interests in the specified matter. Their fees and expenses generally will not be paid by us but will be billed directly to the Client. We make every effort to include expenses and other disbursements in the statement for the month in which such expenses or disbursements are incurred, or the month thereafter. However, not all expenses or disbursements are immediately available, in which case they will appear on a later monthly statement or in a supplemental statement.

Estimates. We are often requested to estimate the amount of fees and costs likely to be incurred in connection with a particular matter. Because fees and costs are usually not predictable, we generally make no commitment to the Client concerning the maximum fees and costs that will be necessary to resolve or complete the matter. Any mention by us of fees and costs is only an estimate. It is also expressly understood that your obligation to pay our fees and costs is in no way contingent on the ultimate outcome of the matter.

Client Responsibilities. You agree to pay our statements for services and expenses as agreed in the Terms of Engagement. In addition, you agree to be candid and cooperative with us and keep us informed with complete and accurate factual information, documents, communications, and other material relevant to the subject matter of our representation or otherwise reasonably requested by us. You also agree to make any necessary business and strategy decisions in a timely manner. Because we need to be able to communicate with you regarding the representation, you agree to keep us advised of name, address, telephone number, contact person, or email address changes.

Advice about Possible Outcomes. From time to time, we may express opinions or beliefs concerning the matter or various courses of action and the results that might be anticipated. Any such statement made by any of our lawyers is an expression of opinion only, based on information available to us at the time, and should not be construed by you as a promise or guarantee.

Electronic Communications. It is likely that, during the course of this engagement, you and the Firm will use electronic devices and internet services (which may include unencrypted email, mobile phones, voice over Internet, electronic data/document websites, and other technology)

to communicate and transfer documents. Although the use of this technology involves some degree of risk that third parties may access confidential communications, we believe and, by signing the engagement letter, you agree that the benefits of using this technology outweigh the risk of accidental disclosure. Nevertheless, just as we have policies and systems in place designed to make our electronic communications with you reasonably secure, it is equally important that you communicate with us in a manner that reasonably protects the confidentiality of information we share and any attorney-client privilege that may apply to our communications. This means that you should not use any computers or other electronic devices, networks, or internet addresses that are owned, controlled, or may be accessed by others to send or receive confidential information to or from us. Any device you use should be password protected and not accessible for use by any third party.

Responding to Subpoenas and Other Requests for Information. If we are required to respond to a subpoena or other formal request from a third party or a governmental agency for our records or other information relating 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 provide the information demanded or assert the attorney-client privilege to the extent you may properly do so. In such circumstances, you agree that you will reimburse us for our time and expense incurred in responding to any such demand, including, but not limited to, time and expense incurred in searching for information and photocopying costs, reviewing documents, appearing at depositions or hearings, and otherwise litigating issues raised by the request.

Termination of Engagement. You may, at any time, terminate our representation upon written notice to us. We reserve the right to withdraw from our representation as required or permitted by the applicable rules of professional conduct upon written notice to you. Your termination or our withdrawal will not relieve you of your obligation to pay for services already rendered, including work in progress and incomplete at the time of termination, and to pay for all expenses incurred on your behalf by us through the termination or withdrawal date.

Conclusion of Representation; Retention and Disposition of Documents. Unless previously terminated or otherwise agreed, our representation will conclude and the attorney-client relationship will terminate automatically upon the occurrence of either of the following: first, 30 days following the date on which we send you a final statement for services rendered in the matter(s); or second, in the event a final statement for services is not sent, when 12 months have elapsed with no meaningful billable services provided to the Client. Thereafter, should you reengage us to represent you, you agree that the terms of this letter shall apply to any matters that we handle for you unless a new engagement letter has been signed. At your request, client documents and property will be returned to you upon receipt of payment for outstanding fees and costs, although we reserve the right to copy any documents we deem appropriate. Our files and documents pertaining to the matter will be retained by us for five years after the termination of a matter, without further notice to the Client. Notwithstanding the foregoing, by signing below, you agree that we may destroy documents containing PHI at the conclusion of a matter.

Scope of Representation. Unless otherwise expressly stated in our Agreement, we do not represent you in connection with any of the following: (1) delivering a third-party legal opinion;

(2) providing you with investment advice or financial advice; (3) securities offerings or significant marketing endeavors; or (4) tax matters (you agree to rely solely on your CPA or other such professionals with whom we are pleased to coordinate); (5) insurance matters as stated in the Agreement; or (6) your duties to your creditors, alternative financial strategies, or the financial risk associated with any strategy or transaction you are pursuing.

Post-engagement Matters. You are engaging us to provide legal services in connection with a specific matter. After completion of the matter, changes may occur in the applicable laws or regulations that could impact your future rights and liabilities. Unless you engage us after the completion of the matter to provide additional legal advice or services on issues arising from the matter, we have no continuing obligation to advise you on such issues or on future legal developments, including docketing milestones, making additional or continuation filings, monitoring renewal or notice dates or similar deadlines that may arise with respect to the matter, pursuing appeals, or taking other steps on your behalf to protect your interests.

Non-Firm Contract Professionals. It is the Firm's practice to utilize the services of non-firm independent contractor attorneys (herein, "contract attorneys") or contract assistants (such as paralegals) who work at separate and independent law firms to work on a temporary basis on discrete matters for clients of the Firm. These contract professionals often have specialized expertise or may simply provide additional capacity to assist us in serving clients of the Firm.

The contract attorneys are licensed to practice law in Oregon. It is our practice to ask these contract attorneys to confirm that they do not have a conflict of interest when, if, and before they would begin to assist us in performing legal services for you. Our practice is to not disclose any confidential information beyond party names necessary for conflict check purposes to such contract attorneys prior to confirming that such contract attorneys are able to work on your matter. Contract professionals that we engage to work on your file will bill their time through to you on a single invoice from the Firm. The rates that our contract professionals charge us for their time working on your file will, in most cases, be significantly lower than the rates that we will apply to the same blocks of time that are charged to you on your bill. In other words, just as with employees of the Firm, the amount that you pay for work by contract professionals will be higher than the net amount paid by the Firm to such contract professionals for their work.

You are providing your consent to have us associate one or more of these contract professionals on your matter, bill you for work performed by these contract professionals in the matter described above, and to disclose confidential information relating to your representation to such contract professionals for purposes of advancing work we are coordinating on your behalf.

Conflicts. The Firm's undertaking to represent you will not act as a bar to prevent the Firm from representing any existing or future client with respect to a claim adverse to you, provided that the Firm is no longer representing you as a current client and, in the course of the Firm's representation of you, the Firm has not obtained confidential information from you that is material to the representation of the other client.