

CONFIDENTIAL ATTORNEY-CLIENT COMMUNICATION

TO: David A. Livingston, Esq.
Deputy County Counsel
County of El Dorado
330 Fair Lane
Placerville, California 95667

This letter confirms the terms and conditions upon which Lewis Brisbois Bisgaard & Smith LLP (the Firm") will provide legal services to The County of El Dorado as a client of the Firm. A written agreement such as the one set forth in this letter is required by applicable statute for many attorney engagements, and is advisable otherwise to minimize the possibility of any misunderstanding between the Firm and its clients.

Please read with care the terms and conditions upon which the Firm is willing to accept acting as the County's attorneys and representing its interests. If the terms and conditions are acceptable to the County, please arrange for the execution of this letter where indicated below and return it to me. By executing this letter, the County is entering into a contract that is binding on both the Firm and the County. The purpose of this letter, therefore, is to set forth the scope of our engagement as legal counsel to the County, to confirm that we are in mutual agreement with respect to the same, to set forth the financial arrangements pursuant to our engagement and to verify your approval of such financial arrangements.

The terms and conditions of the Attorney Fee Agreement ("Agreement") are as follows:

1. PARTIES TO AGREEMENT

The parties to the Agreement are Lewis Brisbois Bisgaard & Smith LLP, a law partnership ("Firm" or "we") and the County of El Dorado ("Client").

2. TERM

The term of this Agreement shall begin on March 2, 2010, and shall remain in effect until terminated by any party or until all work contemplated hereunder shall be completed.

3. SCOPE OF ENGAGEMENT AND SERVICES

The Client retains and employs the Firm to represent its interest with respect to those legal services which you request that we perform; however, it is our understanding that the Client is engaging the Firm to represent it in the arbitration proceeding entitled Yubacon, Inc. v. El Dorado County, Department of Transportation, before the Office of Administrative Hearings, State of California, Case No. A-0016-07, and the civil action entitled Yubacon, Inc. v. El Dorado Irrigation District, et al., El Dorado Superior Court Case No. PC20070379. This Agreement may also apply to services rendered for such future matters that we mutually agree, by written amendment to this Agreement, will be handled by the Firm.

The Firm and every employee thereof shall provide their services, advice and any reports in full compliance with all applicable law and professional standards. The Firm represents that it is specially trained, experienced, expert and competent to perform the services required under this Agreement, and that each individual providing legal services is a member in good standing of the State Bar and is licensed to practice in California. The Firm certifies that it will not accept representation in any matters under this Agreement if it or any employee thereof has any personal or financial interest therein. The Firm certifies that it accepts this retention because it has the time, skill, and ability necessary to perform the duties required in an efficient, trustworthy, professional and businesslike manner. It is understood that the services under this Agreement are time-critical and must be provided in a timely fashion. The Firm is engaged by County for its unique qualifications and skills. The Firm shall not subcontract, delegate or assign the services to be provided under this Agreement, in whole or in part, to any other person or entity not employed in the Firm without prior written consent of County. It is specifically agreed that Frank Perrott will act as a partner-in-charge of the work and will be primarily involved in the conduct of the work.

4. DUTIES OF CLIENT

We will endeavor to represent the Client competently in accordance with reasonable legal and ethical standards. The Client agrees to be truthful with us, to cooperate, to keep us informed of developments, to abide by this Agreement, to pay our bills on time and to keep us advised of its current address, telephone number and whereabouts.

5. LEGAL FEES

Our billing practice is to charge for our services based primarily on the amount of time devoted to a matter at hourly rates for the particular professionals involved. These hourly rates are based upon experience, expertise and standing. Our current regular rates for attorneys are set forth in Schedule A, which is attached to this letter. Billing is in minimum units of 6 minutes. These rates are modified by us from time to time and any new rates will be implemented immediately upon the commencement of a new calendar year or following 30-days written notice to Client and will apply to services rendered after the effective date of the new rates. We try to use associate and paralegal support on projects where possible, and we will be happy to discuss the staffing of your projects with you.

6. COSTS, DISBURSEMENTS AND OTHER CHARGES

We will incur various costs and expenses in performing legal services under this Agreement. The Client agrees to pay for those costs and expenses in addition to the hourly fees. Costs and expenses commonly include process servers' fees, fees fixed by law or assessed by public agencies, long distance telephone calls, messenger and other delivery fees, postage, parking and other local travel expenses, photocopying, scanning and other reproduction costs, clerical staff overtime, word processing charges, charges for computer time, including computer research, and other similar items. Schedule A sets forth other costs and expenses.

In addition, to aid in the preparation or presentation of your case, it may become necessary to hire consultants or investigators, including without limitation co-counsel and other professionals. We will not hire such persons unless you agree to pay their fees and charges. We will select any consultants or investigators to be hired.

The Client will either pay directly the costs and other disbursements discussed above or will reimburse us should we pay these costs and expenses on your behalf. In the normal course of our work, we will bill you for smaller expense items, such as filing fees, computerized research, postage, long distance telephone charges, copying charges, recording fees, messenger services, service of process, court fees, field expenses (i.e., mileage, meals, parking, lodging, etc.), staff overtime and word processing charges. In circumstances involving any substantial expenditure involving outside vendors (such as depositions, exhibit preparation or air fare), or substantial costs, such as experts, consultants or investigators, we will require that you advance those sums to us before we expend them, with such costs to be billed to the Client as an "incurred but unpaid" expense.

The Client is solely responsible for payment of costs and disbursements. If its failure to pay these results in a suit against the firm, the Client hereby agrees to defend and indemnify the firm in that proceeding.

7. PERIODIC STATEMENTS AND BILLING TERMS

Our practice is to send monthly statements for services rendered during the previous month or months and for disbursements incurred for our client's account. The detail in the periodic statement will inform you of both the nature and progress of work and of the fees and disbursements being incurred. In addition, statements reflecting costs and expenses may be sent at any time.

Our fee structure is based upon the premise that all statements are due and payable upon receipt, but in any event, no later than thirty (30) days thereafter.

We do our best to see that our clients are satisfied not only with our services, but also with the reasonableness of the fees and disbursements charged for those services. Therefore, if you have any question about or objection to a statement or the basis for our fees to you, you should raise it promptly for discussion. Such inquiry shall be timely only if made within ten (10) days after the date of the invoice. In the absence of a timely written inquiry, the invoices will be deemed to have been accepted and acknowledged by you as correct through the period which is actually covered by each invoice. In the event you fail to pay any invoice within thirty (30) days of the statement date, we shall charge interest at the maximum rate allowed by law, on the amount of such invoice from the statement date until paid in full. Any waiver of such right shall not be deemed a waiver of any future interest. If you object only to a portion of a statement, we ask that you pay the remainder, which will not constitute a waiver of your objections.

8. TERMINATION OF THE FIRM BY THE CLIENT

The Client shall have the right to terminate and discharge the Firm at any time. The termination or discharge of the Firm must be in writing. In such event, you authorize the Firm to make and retain a duplicate of your file. You further agree to bear all reasonable costs of transferring the new matter to counsel chosen by you.

9. WITHDRAWAL FROM REPRESENTATION BY THE FIRM

The attorney-client relationship is one of mutual trust and confidence. If the Client has any questions at all about the provisions of this Agreement, we invite your inquiries. We encourage our clients to inquire

about any matter relating to our fee agreements or periodic statements that are in any way unclear or appear unsatisfactory. If the Client does not meet its obligation of timely payments under this Agreement, we reserve the right to withdraw from this representation on that basis alone, subject, of course, to any required judicial or administrative approvals.

In addition, the Client agrees that the Firm may withdraw from representing it upon no less than 30-days written notice sufficient to enable the Client to retain new counsel and to avoid prejudice to the Client. Without limitation, the Firm can withdraw as counsel: (1) if the Firm decides to cease the practice of law; (2) if evidence discloses that the Client's claim is without legal merit; (3) if the Firm determines that it does not wish to further prosecute and/or defend the Client's claims; (4) in the event that the Client does not provide reasonable cooperation in the prosecution or the defense of the matter; (5) if the Client is in material breach of this Agreement; or (6) for any reason authorized by the applicable rules of Professional Conduct.

We do not assume any responsibility to maintain any file, including original documents you have entrusted to the firm, after conclusion of our representation.

10. DISCLAIMER OF GUARANTEE AND ESTIMATES

The Client understands that the Firm has made no representation or guarantee concerning the favorable termination of this matter or the favorable outcome of any legal proceedings that may be filed or defended on behalf of the Client. Any estimate of fees given by attorney shall not be a guarantee. Actual fees may vary from any estimate otherwise provided.

11. LEGAL MALPRACTICE INSURANCE

As of the date of this letter, Lewis Brisbois Bisgaard & Smith LLP has legal malpractice insurance applicable to the services to be rendered pursuant to this Agreement.

The Firm shall provide a certificate of such insurance to the Client within ten days of execution of this Agreement. The Firm agrees that the insurance required above shall be in effect at all times during the term of this contract. In the event said insurance coverage expires at any time or times during the term of this contract, the Firm agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the contract, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of the Risk Management Division, and the Firm agrees that no work or services shall be performed prior to the giving of such approval. In the event the Firm fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

12. DISPUTE RESOLUTION

Any dispute which may arise with respect to this Agreement, without limitation, will be resolved pursuant to the laws of the State of California. The forum for venue for the judicial resolution of such dispute shall be proper only within the County of El Dorado, California.

13. INDEMNITY

To the fullest extent permitted by law, the Firm shall defend, indemnify and hold the Client harmless from all claims for bodily injury and property damage, that may arise from the Firm's performance of services under this Agreement, but only to the extent of the negligent acts or omissions of the Firm or anyone employed directly or indirectly by it or by anyone for whose acts it may be liable. This duty of the Firm to indemnify and save the Client harmless includes the duties to defend set forth in California Civil Code section 2778. Nothing herein is intended to deprive the Firm of the benefit of the application of the doctrine of comparative fault as it would otherwise be applicable to reduce the Firm's liability as a result of the negligence or other misconduct of the Client and any of its officers, employees, or agents, as determined by a court of law having jurisdiction.

14. OWNERSHIP OF DOCUMENTS

All documents and writings prepared by or for the Firm in the course of performing this Agreement shall become the Client's property immediately and the Client shall have the right to use such materials in its discretion without notice or compensation to the Firm or anyone else other than compensation provided under this Agreement.

15. CONTRACT ADMINISTRATOR AND NOTICE

For the purpose of administering this Agreement, the Client shall be represented by its County Counsel, Louis B. Green, or successor. Notices provided pursuant to this Agreement shall be effective immediately upon receipt and shall be directed as follows:

For Client: Louis B. Green, County Counsel
El Dorado County
330 Fair Lane
Placerville, California 95667

For Firm: Frank R. Perrott
Lewis Brisbois Bisgaard & Smith LLP
2850 Gateway Oaks Drive, Suite 450
Sacramento, CA 95833

16. STATE FILING

All independent consultants providing services to the Client must file a State of California Form 590 certifying their California residency or, in the case of a corporation, certifying that it has a permanent place of business in California. The Firm will be required to submit a Form 590 to the Client or the Client shall instruct the paying agent to withhold seven percent (7%) of any payment to be made to the Firm related to this Agreement.

17. MODIFICATION IN WRITING ONLY

No variance, change, modification or augmentation of this Agreement shall be effective unless and until confirmed in a writing signed by the Firm and the Client making express reference to this Agreement. This document embodies the whole agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein, and this contract shall supersede all previous communications, representations, or other agreements, either verbal or written, between the Firm and the Client.

18. THIS AGREEMENT MAY BE SIGNED IN COUNTERPARTS AND FACSIMILES

This Agreement may be signed in counterpart. Facsimile signatures of the Firm and the Client shall be effective as original signatures.

Thank you for choosing Lewis Brisbois Bisgaard & Smith LLP as your counsel with respect to the matter set forth in Schedule A. If you wish to seek the advice of other counsel in respect to this Agreement, please feel free to do so. If this letter correctly sets forth your understanding of the scope of the services to be rendered to you and if the terms of the engagement are satisfactory, please execute the enclosed copy of this letter and return it to us. If the scope of services described in this letter are not satisfactory to you, please let us know in writing.

We look forward to working with you and thank you once again for the opportunity to serve you.

Accepted and agreed to:

THE COUNTY OF EL DORADO

By: _____

Dated: _____

Its: _____

LEWIS BRISBOIS BISGAARD & SMITH, LLP

By:  _____

Dated: 04-21-2010

Its: PARTNER

SCHEDULE "A"

RATE SCHEDULE

A. Identification

Client: County of El Dorado

Matter: Yubacon, Inc. v. El Dorado County, Department of Transportation, Office of Administrative Hearings, State of California, Case No. A-0016-07; and Yubacon, Inc. v. El Dorado County Irrigation District, et al., El Dorado County Superior Court, Case No. PC20070379

B. Hourly rates for legal personnel

\$280.00	Partners
\$190.00	Associates
\$105.00	Paralegals

C. Standard charges

We charge for our time in minimum units of .1 hours (6 minutes).

D. Costs and expenses

1) At cost:

Long distance telephone, FAX, telegraph and telex charges; research bureau services and record services; parking and validations; travel expenses and lodging; meals and refreshments; special handling mail (other than first class service, including registered, certified, express delivery, Federal Express, DHL, etc.); messenger service (outside); special printing/binding (outside); court costs (including filing fees, service of process, deposition costs, etc.); retrieval of files from storage (plus \$20.00 per hour staff time, one hour minimum); special materials, etc.

2) Other:

Computer Research	At cost
Litigation support	\$30.00 per hour
Travel time	Regular hourly rates
Mileage	\$0.445 per mile

Messenger Services (LBBS
personnel)

Per schedule

Photocopying

In-house - \$0.25 per page
Outside service - At cost

After hours building
services (when dictated by
special client need)

Actual cost (varies from office to office)