

**LEGAL SERVICES AGREEMENT BETWEEN
THE COUNTY OF SAN MATEO AND
COTCHETT, PITRE & McCARTHY**

THIS LEGAL SERVICES AGREEMENT (hereinafter referred to as the "Agreement") is by and between the COUNTY OF SAN MATEO ("COUNTY") and COTCHETT, PITRE & McCARTHY ("COTCHETT") for COTCHETT to prosecute certain individual claims against several entities who may have responsibility for injuries and losses suffered by the COUNTY.

WHEREAS, pursuant to Government Code, Section 31000, COUNTY may contract with independent contractors for the furnishing of such services to or for COUNTY or any Department thereof;

WHEREAS, it is necessary and desirable that COTCHETT be retained for the purpose of representing the COUNTY in the litigation described in Section II.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

I. Scope of Services

A. COTCHETT is retained to provide legal services to the COUNTY through its Office of County Counsel for the purpose of seeking injunctive and other relief, including restitution, disgorgement of profits, abatement, remediation and damages against the Lead Defendants and related entities ("defendants"), in litigation arising from the Lead Defendants' manufacture and distribution of lead related products. The parties to this Agreement anticipate that COTCHETT will be retained to represent a number of other California local governments in the same action.

B. The San Mateo County Counsel, as the chief legal officer of the COUNTY, is charged with representing the COUNTY in legal proceedings with respect to which it has an interest. San Mateo County Counsel, together with the County Counsel and City Attorneys of any other counties and cities that may join in the prosecution of the Litigation and retain COTCHETT ("the Prosecuting Cities and Counties"), will retain final authority over all aspects of the Litigation. If additional cities and counties join in this Action, San Mateo County Counsel will participate in the selection and organization of a Litigation Steering Committee in order to coordinate the joint prosecution of the Litigation. The Litigation Steering Committee shall be composed of representatives of all Cities and Counties participating in the Litigation who wish to serve on the Litigation Steering Committee, and such other members as the Litigation Steering Committee shall appoint.

C. As provided herein, COTCHETT is authorized to take all appropriate legal action to prosecute the Litigation and participate in settlement negotiations with approval of the County Counsel. The San Mateo County Counsel will monitor, review and participate as counsel in the prosecution of all aspects of the Litigation. COTCHETT shall consult in advance with, and obtain the prior approval of, the San Mateo County Counsel, who in turn shall consult with the

Litigation Steering Committee (as soon as such Committee is created) concerning all substantive matters related to the Action, including, but not limited to, the pleadings and dispositive motions, discovery and selection of consultants and experts. Status meetings shall be held as requested by either the San Mateo County Counsel or COTCHETT.

D. COTCHETT shall provide the San Mateo County Counsel with copies of all material correspondence, pleadings, and discovery requests and responses related to the Litigation.

E. COTCHETT shall communicate with the COUNTY departments through the San Mateo County Counsel unless alternative arrangements are made in advance between COTCHETT and the San Mateo County Counsel.

F. COTCHETT shall provide sufficient resources, including attorney time and capital for payment of expenses to prosecute the Litigation faithfully and with due diligence. Legal services under this Agreement shall be performed only by competent personnel under the supervision and in the employment of COTCHETT or retained by COTCHETT as consultants with the prior approval of San Mateo County Counsel.

G. The Prosecuting Cities and Counties may (but are not required to) determine after consultation with the Litigation Steering Committee, to appoint an Executive Committee to oversee the day-to-day conduct of the Action. The Executive Committee, if one is appointed, shall include the San Mateo County Counsel in addition to others designated by the Litigation Steering Committee.

H. COTCHETT agrees to maintain contemporaneous time and expense records. COTCHETT shall, upon request and with reasonable notice, submit time and expense records to the San Mateo County Counsel or the Litigation Steering Committee setting forth the hours and services devoted to the Litigation, all disbursements, and any requests for reimbursement of expenses under ¶ IV. A. below. Where disbursements are made or expenses are incurred by COTCHETT which also benefit other clients of COTCHETT in other, similar Litigation, only the portion of such disbursements fairly and properly allocable to the COUNTY shall be claimed as reasonable expenses of prosecuting the Litigation on its behalf.

II. Performance by COTCHETT

A. Nature of Relationship: The COUNTY acknowledges that by this Agreement, COTCHETT are retained as attorneys and that neither COTCHETT nor their members or employees become officers or employees of the COUNTY. COTCHETT shall be deemed at all times to be independent contractors and shall be wholly responsible for the manner in which they perform the services required of them by the terms of this Agreement. COTCHETT shall be liable for any act or acts of their own, or their agents or employees, and nothing contained herein shall be construed as creating the relationship of employer and employee between the COUNTY and COTCHETT or their agents and employees. None of the provisions of this Agreement is intended to create, nor shall be deemed or construed as to create, any relationship between the

parties other than that of independent parties contracting with each other for purpose of effecting the provisions of this Agreement.

B. Assignability and Subcontracting: COTCHETT shall not assign this Agreement or any portion thereof to a third party or subcontract with a third party to provide services required by COTCHETT under this Agreement without the prior written consent of COUNTY. Any such assignment or subcontract without the COUNTY's prior written consent shall give COUNTY the right to automatically and immediately terminate this Agreement.

C. Liability of the COUNTY: the COUNTY's obligations under this contract shall be limited to the payment of the compensation provided for in this Agreement and to its share of the out of pocket costs provided in ¶IV.A. Notwithstanding any other provision of this Agreement, in no event shall the COUNTY be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages.

D. Termination:

1. Without Cause: The San Mateo County Counsel may terminate this Agreement as to COTCHETT, without cause and without penalty, by providing COTCHETT with written notice of termination delivered to it at least 14 calendar days before the effective date of termination.

E. Termination For Cause:

1. COUNTY will have the right to terminate this Agreement after written notice to COTCHETT and after the expiration of any cure period provided for below, upon the occurrence of any of the following events of default:

(a) Failure of COTCHETT to perform any covenant or obligation set forth in this Agreement or any other agreement with COUNTY;

(b) An attempt by COTCHETT to assign, delegate or subcontract without COUNTY's consent as provided herein;

(c) Failure by COTCHETT to maintain insurance as required under this Agreement;

(d) Filing by or against COTCHETT of any petition for bankruptcy, any assignment by COTCHETT for the benefit of creditors, the levy of a writ of attachment or execution against COTCHETT's property or the appointment of a receiver for COTCHETT or COTCHETT's property; or

(e) Unauthorized or excessive billing by COTCHETT.

2. Except as otherwise provided in this Agreement, COTCHETT will not be in default hereunder unless COTCHETT fails to correct such default within a period of ten (10) days after written notice given by COUNTY to COTCHETT identifying the default.

Notwithstanding the foregoing, if a default cannot be cured within such ten day period, COTCHETT will not be in default hereunder if and for so long as COTCHETT shall, diligently and in good faith, have commenced to remedy the default within such ten day period, shall prosecute to completion with diligence and continuity the remedying of default, and shall remedy such default within a reasonable time to COUNTY's satisfaction. In the case of a notice of default to COTCHETT, no new work will be undertaken by COTCHETT after the date of receipt of the notice, without the express consent of the COUNTY.

3. COTCHETT may terminate this Agreement at any time either in whole or in part, by giving thirty (30) days written notice specifying the effective date and scope of such termination. However, if COTCHETT elects to terminate this Agreement, the County's rights under any pending matter arising from COTCHETT's service hereunder will not be prejudiced due to such termination as required by the Rules of Professional Conduct of the State Bar of California. Upon the date of termination, all rights, powers, privileges and authority granted to COTCHETT under this Agreement will cease, and COTCHETT will have the duties provided in Section 4 below.

4. Duties Upon Termination: Upon termination of the Agreement, all finished or unfinished documents, data, studies, maps, photographs, reports, and other materials prepared by COTCHETT under this Agreement will become the property of the COUNTY and will be promptly delivered to COUNTY. In the event this Agreement is terminated prior to the dismissal of a claim handled by COTCHETT on behalf of the COUNTY, COTCHETT will do all things reasonably necessary to cause an orderly transition of services without detriment to the rights of the COUNTY.

F. COTCHETT and COUNTY recognize the important public interest in pursuing cases on behalf of public entities to reduce cost of government for the residents of the COUNTY and other similarly-situated public entities throughout California. COTCHETT and COUNTY agree this matter should be handled as efficiently and as cost effectively as is reasonably possible. COTCHETT will avoid unnecessary duplicate efforts on the part of COTCHETT and COTCHETT's partners, associate attorneys, and staff members.

G. To the extent the COUNTY can assist in the prosecution of this case by providing the support and resources of its Office of County Counsel and employees, if such are available, it will do so. In particular it is anticipated that data basing, statistical analysis, and other compilation of information may have to be prepared by the COUNTY in connection with the prosecution of the case. To the extent this type of work is necessary to the prosecution of the case, COUNTY will designate sufficient staff to prepare the same in a timely fashion for use by COTCHETT and/or the consultants and experts retained herein.

III. Attorneys' Fees

A. The Litigation Steering Committee, should one be created by the prosecuting Cities and Counties, shall have the discretion to determine the apportionment of reimbursement of out-of-pocket costs in the event a recovery is obtained among the Prosecuting Cities and Counties. For the purposes of this agreement, "out-of-pocket costs" shall include: filing fees,

fees for service of process, messenger costs, copying charges for copies made by outside copying services, travel costs and internal copying costs, data collection costs, computer research costs, investigator costs, telecommunication costs, witness fees, court reporter fees, transcription fees, expert witness and consultant fees, court costs, and costs associated with special masters or alternative dispute resolution, wages or overtime costs, including costs associated with travel, internal copying costs, wages or overtime costs. As to items not listed in this subparagraph, the Litigation Steering Committee, shall have the discretion to decide whether such items should be allowable as out-of-pocket costs.

B. The sole contingency upon which the COUNTY shall pay compensation to COTCHETT is the recovery and collection by COTCHETT on behalf of the COUNTY of monies in the Litigation, whether by settlement or judgment. Compensation on the foregoing contingency shall be COTCHETT's reasonable disbursements as that term is defined in ¶ IV.C below, in the Litigation, plus 17% of any recovery in this Litigation in excess of the reasonable disbursements of COTCHETT and the expenses paid by the Prosecuting Cities and Counties pursuant to ¶ IV.A, provided that if any additional Cities and Counties become plaintiffs in this Litigation represented by COTCHETT, such percentages shall apply to the aggregate recoveries on behalf of all such plaintiffs; provided further, however, that any entities that make contributions to finance the Litigation pursuant to ¶ IV.A, or that make additional voluntary contributions, shall be reimbursed first in amounts equal to their respective contributions. If COTCHETT recovers monies in the Litigation, but in an amount that does not exceed the disbursements in the Litigation, such monies shall be used to reimburse disbursements.

C. As used in this Agreement, the term "disbursements" shall include all "out-of-pocket costs" that are not reimbursed pursuant to ¶ IV.A., plus any other expenditures reasonably incurred in the Litigation. Reasonable costs do not include mark-ups above actual costs, meals not connected with travel or costs of transportation between COTCHETT's residences and offices or disbursements for travel expenses and accommodations that exceed the usual and customary business rate charged in the locality where such expenses are incurred.

D. COUNTY shall pay no higher percentage for compensation of COTCHETT than is paid by any other co-plaintiff that COTCHETT represents in the Litigation or any other county and/or city that COTCHETT represents on a contingent fee basis in similar Litigation.

E. COTCHETT shall obtain the prior written approval of the Litigation Steering Committee to incur any out of pocket cost in excess of \$10,000.

F. It is anticipated that the Prosecuting Cities and Counties will seek an order for payment of their attorneys' fees and costs should they prevail, in whole or in part, in the Litigation. If any court in the Litigation awards attorneys' fees, such fees shall be paid to COTCHETT and all other counsel, including public entity counsel, who incurred fees during the prosecution of the Litigation, to the extent that the award is based on services furnished by COTCHETT; provided that, to the extent that such fees come from the recovery, e.g., under a common fund theory, COTCHETT shall not receive any greater payment than they are entitled to under ¶¶ IV.B-D, above. However, if such attorneys' fees' do not come from the recovery or the common fund, the fees awarded in addition to and over and above the common fund, by the court for COTCHETT's services in the Litigation, shall be deducted from any fees payable to

COTCHETT pursuant to this agreement as set forth in ¶¶ IV.B, C and D, above. Hence, by way of example only, if the Court were to award to the Prosecuting Cities and Counties a common fund, and award an amount of attorneys' fees over and above the common fund in an amount equal to 25% of the common fund, the 17% fee described in ¶ IV.B. would be deducted from the 25% fee awarded by the court, and COTCHETT would obtain an award of 17% plus the difference between 25% and 17%, i.e., 8% of any recovery for a total award of 25% (rather than 17% of the amount of the recovery plus 25% of the amount of the recovery). If the court awards expenses and costs in the Litigation, such amount shall be applied as directed in this Agreement.

G. The San Mateo County Counsel and COTCHETT are aware that defendants in similar Litigation have previously challenged and sought to invalidate contingency fee arrangements between public entities and outside counsel. The San Mateo County Counsel and COTCHETT believe that any such challenges to this Agreement lack merit and that this contingent fee agreement is valid. However, in the event that this contingent fee agreement is found to be invalid, COTCHETT agrees to continue to represent the COUNTY and advance expenses in excess of those covered by ¶ IV.B with the understanding that COTCHETT will be paid only such attorneys' fees and expenses as are awarded for their services by the Court or recovered as reasonable fees and expenses for their services.

H. In the event that the Litigation is resolved by settlement under terms involving the provision of goods, services or any other "in-kind" payment, the San Mateo County Counsel agrees to seek, as part of any such settlement, a mutually agreeable monetary settlement of attorneys' fees and expenses. The San Mateo County Counsel agrees to consult with COTCHETT prior to making a recommendation to the COUNTY Board of Supervisors regarding settlement or dismissal of legal proceedings.

I. COTCHETT agrees to use its best efforts together with the COUNTY to recover COTCHETT's fees from defendants rather than from COUNTY's recovery. The COUNTY agrees to use its best efforts to support COTCHETT's application for fees from any such fund. Any attorneys' fees that are recovered by COTCHETT from such a fund for services provided by COTCHETT to the COUNTY shall be deducted from any fees payable to COTCHETT pursuant to ¶¶ IV.B, C and D of this Agreement.

J. The County of Santa Clara has agreed to advance \$150,000 in costs. COUNTY will not have to pay costs in excess of the \$150,000 advanced by the County of Santa Clara unless prior approval of its Board is obtained to contribute a portion of the costs advanced. COTCHETT will advance costs that exceed \$150,000 absent further contributions by COUNTY and will seek payment of any unreimbursed costs through the Court, pursuant to Rule 4.210(a)(3) of the Rules of Professional Conduct from the amount recovered from defendants, by way of judgment, settlement, or other resolution.

IV. Cooperation and Assistance of COUNTY

COUNTY will cooperate with COTCHETT in locating and reproducing the COUNTY's records that may be material to the investigation, discovery, prosecution and trial of the lawsuit. COUNTY's personnel will be made available on a reasonable basis for such depositions and trial testimony as the lawsuit may require.

V. Association of Other Counsel

Subject to the provisions regarding Assignment and Subcommittees of this Agreement, COTCHETT may associate other counsel at no additional expense to the COUNTY and with specific written approval of the San Mateo County Counsel.

VI. Defendants

COTCHETT has filed an action against the following defendants:

- A. Atlantic Richfield Company, successor-in-interest to International Smelting and Refining Company and Anaconda Lead Products Company, a corporation;
- B. ConAgra Grocery Products Company, as a successor-in-interest to W.P. Fuller Company and WPF, Inc., a corporation;
- C. Cytec Industries, Inc., as successor in interest to American Cyanamid Company, a corporation;
- D. E.I. Du Pont De Nemours and Company, a corporation;
- E. NL Industries, Inc., formerly known as the National Lead Company, a corporation;
- F. SCM Chemicals, the successor-in-interest to The Glidden Company, a corporation;
- G. The Sherwin-Williams Company, a corporation;
- H. Millenium Holdings LLC, as a successor-in-interest to The Glidden Company and SCM Corporation, a corporation;
- I. Armstrong Containers, as successor-in-interest to The John R. McGregor Co. and The McGregor Lead Company, a corporation; and
- J. Lead Industries Association, Inc., a corporation.

Other related or separate entities which may have caused losses to the COUNTY may be added to protect the COUNTY's rights as determined necessary by San Mateo County Counsel.

VII. Compliance with Laws; Payment of Permits/Licenses

A. All services to be performed by COTCHETT pursuant to this Agreement shall be performed in accordance with all Federal, State, County, and municipal laws, ordinances and regulations, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and the Federal Regulations promulgated thereunder, as amended, and the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1971, as amended, which prohibits discrimination on the basis of handicap in programs and activities receiving any Federal or County financial assistance. Such services shall also be

performed in accordance with all applicable ordinance and regulations, including, but not limited to, appropriate licensure, certification regulation, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and State, Federal, County or municipal law or regulations, the requirements of the applicable law will take precedence over the requirements set forth in this Agreement.

B. COTCHETT will timely and accurately complete, sign, and submit all necessary documentation of compliance.

VIII. Insurance

A. COTCHETT shall furnish the Department/Division with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending COTCHETT’s coverage to include the contractual liability assumed by COTCHETT pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days’ notice must be given, in writing, to the Department/Division of any pending change in the limits of liability or of any cancellation or modification of the policy.

B. Workers’ Compensation and Employer’s Liability Insurance: COTCHETT shall have in effect during the entire time of this Agreement Workers’ Compensation and Employer’s Liability Insurance providing full statutory coverage. In signing this Agreement, COTCHETT certifies, as required by Section 1861 of the California Labor Code, that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Workers’ Compensation or to undertake self-insurance in accordance with the provisions of the Code, and will comply with such provisions before commencing the performance of the work of this Agreement.

C. Liability Insurance: COTCHETT shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect it while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from COTCHETT’s operations under this Agreement, whether such operations be by it or any other sub-contractor or anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall be not less than the amount specified below:

Such insurance shall include:

(i)	Comprehensive General Liability	\$1,000,000
(ii)	Motor Vehicle Liability Insurance	\$1,000,000
(iii)	Professional Liability	\$1,000,000

Except for professional liability insurance, COUNTY and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provisions that the insurance afforded thereby to the COUNTY, its officers, agents, employees and servants shall be primary insurance to the full limits of liability of the policy, and that if the COUNTY or its officers and employees have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

IX. Compliance with Laws; Payments of Permits/Licenses

All services to be performed by COTCHETT pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County and municipal laws, ordinances and regulations, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and the Federal Regulations promulgated thereunder, as amended, and the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Exhibit A, which prohibits discrimination on the basis of handicap in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including, but not limited to, appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and State, Federal, County, or municipal law or regulations, the requirements of the applicable law will take precedence over the requirements set forth in this Agreement.

COTCHETT will timely and accurately complete, sign and submit all necessary documentation of compliance.

X. Non-Discrimination and Other Requirements

A. *General Non-Discrimination.* No person shall, on the grounds of race, color, religion, ancestry, gender, age (over 40), national origin, medical condition (cancer), physical or mental disability, sexual orientation, pregnancy, childbirth or related medical condition, marital status, or political affiliation be denied any benefits or subject to discrimination under this Agreement.

B. *Equal Employment Opportunity.* COTCHETT shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. COTCHETT's equal employment policies shall be made available to COUNTY upon request.

C. *Violation of Non-discrimination Provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject COTCHETT to penalties, to be determined by the County Manager, including but not limited to:

- (i) termination of this Agreement;
- (ii) disqualification of COTCHETT from bidding on or being awarded a COUNTY contract for a period of up to 3 years;
- (iii) liquidated damages of \$2,500 per violation;
- (iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

COTCHETT shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided

that within such 30 days such entity has not notified COTCHETT that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. COTCHETT shall provide COUNTY with a copy of their response to the Complaint when filed.

D. *Compliance with Equal Benefits Ordinance.* With respect to the provision of employee benefits, COTCHETT shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.

E. COTCHETT shall comply fully with the non-discrimination requirements required by E41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

XI. Compliance with Contractor Employee Jury Service Ordinance

COTCHETT shall comply with the County Ordinance with respect to provision of jury duty pay to employees and have and adhere to a written policy that provides that its employees shall receive from COTCHETT, on an annual basis, no less than five days of regular pay for actual jury service in San Mateo County. The policy may provide that employees deposit any fees received for such jury service with COTCHETT or that COTCHETT deduct from the employees' regular pay the fees received for jury service.

XII. Retention of Records, Right to Monitor and Audit

A. COTCHETT shall maintain all required records for three (3) years after the COUNTY makes final payment and all other pending matters are closed, and shall be subject to the examination and/or audit of the COUNTY, a Federal grantor agency, and the State of California.

B. Reporting and Record Keeping: COTCHETT shall comply with all program and fiscal reporting requirements set forth by appropriate Federal, State and local agencies, and as required by the COUNTY.

C. COTCHETT agrees to provide to COUNTY, to any Federal or State department having monitoring or review authority, to COUNTY's authorized representatives, and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services required.

XIII. Arbitration

In the event that any dispute arises relating to this Agreement or COTCHETT's performance of services hereunder, it is agreed that such dispute shall be submitted to Judicial Arbitration & Mediation Services ("JAMS") or other mutually agreed upon neutral arbitrator in San Jose. The dispute shall be conclusively decided, without appeal or review, by a mutually agreeable JAMS judge or mutually agreed upon arbitrator. Any costs, fees or expenses of the

services of JAMS or the arbitrator will be shared by COTCHETT and COUNTY, or will be allocated by such percentage as the JAMS judge or arbitrator deems appropriate. This agreement to arbitrate is not intended to abrogate the COUNTY's right to require a non-binding fee arbitration pursuant to California Business & Professions Code §§6200-6206.

XIV. Controlling Law

The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation, and performance of this Agreement shall be governed by the laws of the State of California.

XV. Integrated Agreement

This instrument contains the entire agreement between the parties and all prior written or oral negotiations, understandings and agreements are merged herein. The parties further intend this Agreement will constitute the complete and exclusive statement of its terms and no extrinsic evidence whatsoever, including prior drafts hereof and changes therefrom, may be introduced in any judicial, administrative or other legal proceeding involving this Agreement.

XVI. Amendment

Neither this Agreement nor any term or provisions hereof may be changed, waived, discharged or terminated, except by a written instrument signed by both parties hereto or except as otherwise expressly provided herein.

XVII. Interpretation

The captions preceding the sections of this Agreement have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this Agreement. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters contained herein. This Agreement shall be interpreted to achieve the intents and purposes of the parties, without any presumption against the party responsible for drafting any part of this Agreement. Provisions in this Agreement relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or COUNTY holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words will not be construed to limit any general term, statement or other matter in this Agreement, whether or not language of non-limitation, such as "without limitation" or similar words, are used.

XIII. Merger Clause

This Agreement constitutes the sole Agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement or specification set forth in this body of the Agreement conflict with or is inconsistent with any term, condition, provision, requirement or specification in any exhibit and/or attachment to this Agreement, the provisions of this body of the Agreement

shall prevail. Any prior agreement, promises, negotiations or representations between the parties not expressly stated in this document are not binding. All subsequent notifications shall be in writing and signed by the parties.

XIX. Severability

If any provision of this Agreement or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this Agreement will be valid and enforceable to the fullest extent permitted by law. However, notwithstanding anything to the contrary herein, if the COUNTY or San Mateo County Counsel determines a finding of illegality adversely affects the basic consideration hereunder, COUNTY or San Mateo County Counsel may, at its option, terminate this Agreement.

XX. Successors and Assigns

Subject to the provisions of this Agreement restricting COTCHETT's right to assign and subcontract, the terms, covenants and conditions contained in this Agreement will bind and inure to the benefit of COUNTY and San Mateo County Counsel and, except as otherwise provided herein, their personal representatives, successors and assigns.

XXI. Survival

Termination, expiration or cancellation of this Agreement will not affect any provision of this Agreement which expressly states it shall survive termination, expiration or cancellation hereof.

XXII. Notices

Any notice, request, demand or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United States mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed to

In the case of the County:

Thomas F. Casey, III, County Counsel
Brenda Carlson, Chief Deputy
Rebecca M. Archer, Deputy County Counsel
San Mateo County Counsel's Office
400 County Center, Sixth Floor
Redwood City, CA 94063-1662

In the case of the Contractor, to:

Frank M. Pitre
Nancy L. Fineman
Cotchett, Pitre & McCarthy
840 Malcolm Road, Suite 200
Burlingame, CA 94010

The parties have caused this Agreement to be executed by their duly authorized representatives.

Date: _____, 2007

COUNTY OF SAN MATEO

By: _____
President, Board of Supervisors

ATTEST: _____, Clerk
Board of Supervisors

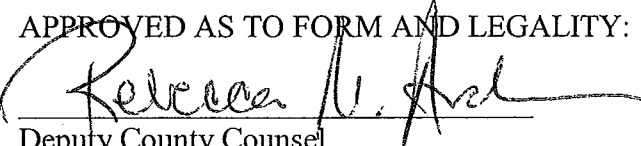
Date: 3/7/07, 2007

COTCHETT, PITRE & McCARTHY


BY: FRANK M. PITRE
Partner

Date: March 8, 2007

APPROVED AS TO FORM AND LEGALITY:


Deputy County Counsel