

THOMAS C. MUNDELL
JAMES A. ODLUM
KARL N. HAWS*
MARSHALL L. BRUBACHER
STEPHANIE K. HARLAN
JIM C. MOORE
BLAINE C. BURCH
LAURA E. LYNCH

MUNDELL, ODLUM & HAWS, LLP

ATTORNEYS AT LAW
650 EAST HOSPITALITY LANE
SUITE 470
SAN BERNARDINO, CALIFORNIA 92408-3595
TELEPHONE: (909) 890-9500
FACSIMILE: (909) 890-9580

A California Limited Liability Partnership including a Professional Corporation

RANCHO OFFICE:
8300 UTICA AVENUE
SUITE 200
RANCHO CUCAMONGA, CA 91730
Telephone (909) 948-1918
Fax (909) 948-0225
*A Professional Corporation

Please Reply to San Bernardino Office

May 20, 2011

Dan McHugh
City Attorney
City of Redlands
35 Cajon Street
Redlands, CA 92373

Re: Retention of Legal Services

Dear Mr. McHugh:

This letter will serve to confirm the terms of Mundell, Odlum & Haws, LLP's (hereafter "Attorneys") legal representation of the City of Redlands ("City") in the above-referenced matters and your written agreement to such terms.

We will represent the City in general legal matters as assigned from time to time by the City Attorney.

Our fees are computed and billed on a time-expended basis in accordance with the hourly rates assigned to the particular attorneys performing the work. I will be the attorney in charge of this matter; my hourly rate is \$235.00. My paralegals may also work on this matter and their hourly rates range from \$95.00 to \$115.00. All time is billed in one-tenth hour increments.

Our rates are subject to periodic adjustment, and the applicable rates will be those in effect at the time services are rendered. You will be advised in writing at least 60 days in advance of any changes in our hourly rates.

We may advance costs on your behalf. Reimbursement for such costs and other expenses will be billed in addition to fees for services. We may also request that you pay disbursements of significant amounts directly. All costs and expenses advanced will be itemized and billed monthly. The amounts reflected on our statement are due upon presentation.

We will endeavor to represent the City competently and efficiently. However, nothing in this Agreement or nothing in our statements to you should be construed as a promise or guarantee about the outcome of any matter.

In order to avoid conflicts of interest among our clients, we maintain a conflict of interest index. Mundell, Odlum & Haws will not represent any party with an interest that may be adverse to that of a person or entity included in the index without an examination to determine whether a conflict of interest would be created. In connection with this representation, we have indexed the following names:

1. Redlands Police Officers Association.
2. Redlands General Employees Association.
3. Redlands Professional Firefighters Association.

Please let us know whether any individuals or business entities will be closely involved with this matter. Unless you inform us to the contrary, we will assume that the above listing is accurate and complete.

Please understand that you are not obligated to have us represent you. If now or at any future time you should decide for any reason to engage separate counsel to represent you, we will turn over representation to that counsel. Needless to say, if you have any questions or wish additional information from me, you have only to ask.

You will have the right to terminate our services at any time upon written notice. We will also have the right to withdraw from this representation if you fail to pay our bills when due or for any reason authorized or required by Rule 3-700 of the California Rules of Professional Conduct.

You have asked Mundell, Odlum & Haws to undertake its representation only with respect to the above-referenced matters. Our ethical obligations will require us in the future to decline any other engagements which conflict directly with this representation and will preclude us from utilizing or disclosing any confidential information received in the course of such representation. Nevertheless, because this is a limited engagement, it should be understood that we will not in the future be precluded from accepting a representation adverse to you except where a direct conflict exists.

The terms outlined herein shall apply to any additional or subsequent matters we agree to undertake on your behalf unless we agree in writing to some different arrangement.

This agreement will be effective when signed but shall be retroactive to the date Attorneys first performed services in connection with this lawsuit.

Please acknowledge your approval and acceptance of these terms by signing and returning the enclosed copy of this letter. I would be pleased to answer any questions you might have. Thank

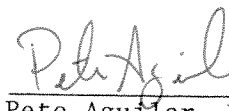
you for this opportunity to be of service

Very truly yours,


Karl N. Haws

Representation by Mundell, Odlum & Haws, LLP on the terms described above is agreed to this 24th day of May, 2011.

City of Redlands

By: 
Pete Aguilar, Mayor

Its: _____



Office of the
City Attorney
City of Redlands

Daniel J. McHugh
City Attorney

MEMORANDUM

TO: SAM IRWIN, CITY CLERK

FROM: SHERI A. SEBASTIAN
LEGAL SECRETARY

DATE: MAY 25, 2011

RE: RETENTION OF LEGAL SERVICES AGREEMENT
MUNDELL, ODLUM & HAWS, LLP

Sam: Attached please find an original executed Retention of Legal Services Agreement with Mundell, Odum & Haws, LLP for your files. Please place this "letter agreement" in the file containing our Special Services Agreements with special counsel, which is currently being maintained by the City Clerk's office. Should you have any questions regarding this matter, please feel free to contact me.

SHERI A. SEBASTIAN

Attachment