

LAW DEPARTMENT

Shauna R. Billingsley, Esq.
Interim City Attorney
Also Licensed in Texas



HISTORIC
FRANKLIN
TENNESSEE

July 14, 2017

VIA REGULAR MAIL

J. W. Luna, Esq.
Luna Law Group, PLLC
333 Union Street, Suite 300
Nashville, TN 37201

RE: COF# 2017-0180 Engagement Agreement for National Pollutant Discharge Elimination System (NPDES) Permit Appeal Representation

Dear Mr. Luna:

We are pleased to retain you and your firm as outside counsel for advice, counsel, and strategic planning for the defense of a Clean Water Act citizens' suit and related environmental matters brought against the City by Harpeth River Watershed Alliance. In addition to the following, the terms of representation are contained in the *City of Franklin Law Department Policy and Procedures for Outside Counsel* (the "*Policy*"), a copy of which is enclosed. Please familiarize yourself with the requirements contained in the *Policy* and ensure that all personnel working on City of Franklin matters are familiar with them as well. By continuing to undertake further representation, you are agreeing to abide by the terms of the *Policy*.

Please identify an individual to serve as a Principal Client Contact as required under the *Policy*. This person will serve as the Law Department's main point of contact for this engagement. It is also important that you keep the City Attorney's office informed regarding all aspects of the work in accordance with the requirements set out in the *Policy*. You are required to submit to our office, via e-mail, a litigation status report every six (6) months. We will provide a form to you electronically at the e-mail address you provide. Please note that all bills should be submitted to my attention. Please send both a detailed bill as well as a bill/invoice summary, which states simply the hours worked, hourly rate, and total amount due. Please use the name of the matter on your bills, and bill each matter separately from any other work you are performing for the City. For all billing inquiries, please provide us with a business office contact.

Please note that current market rates for general municipal work are approximately \$195.00 for Attorneys, \$175.00 for Associates, and \$65.00 for a paralegal. Please indicate to us your terms and conditions. Note that the *Policy* requires that you receive recommendation from the City Attorney. While I understand that your work may involve different terms than standard municipal work, please note that any additional terms and conditions you may propose must be separately approved; the City has several standard terms and conditions that are not negotiable. By signing this engagement letter, you are agreeing to the terms contained in this letter and in the *Policy*.

As you may know, the City of Franklin is committed to meeting the goals of the City's Equal Business Opportunity ordinance. During the engagement, we may want to discuss with you how the firm can provide opportunities to minority or women owned firms or minority or female attorneys within the firm.



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We look forward to working with you on this matter to provide the highest level of legal services to the employees and citizens of the City of Franklin.

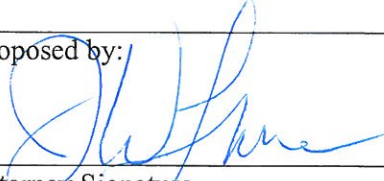
Sincerely,

Shauna R. Billingsley
City Attorney

Enclosures

cc: Eric Stuckey, City Administrator

PLEASE FILL OUT THE FORM BELOW AND RETURN

| Rates/hour or contract rate | Principal Client Contact Information |
|---|--|
| <i>See attached Exhibit A</i> | Name: _____ |
| | Telephone: _____ |
| | E-mail: _____ |
| | Other information: _____ |
| Proposed by:  _____ Attorney Signature <i>Luna Law Group PLLC</i> Luna Law Group Date: <u>7-25-2017</u> | Accepted by: _____ Dr. Ken Moore Mayor Date: _____ |

City of Franklin Law Department

Policy and Procedures for
Outside Legal Counsel



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Introduction

The City of Franklin Law Department Policy and Procedures for Outside Counsel ("Policy") is designed to provide law firms engaged by the City Attorney on behalf of the City of Franklin, its departments, boards, agencies, authorities, commissions, and employees (herein, collectively referred to as the "City") with the requirements for such legal representation. This Policy is mandatory for all law firms engaged by the City of Franklin Law Department (the "Law Department" or "Department"). All law firms representing the City are required to adhere to this Policy, and each such law firm shall ensure that all attorneys and support staff working on City matters are familiar with the requirements set forth herein.

The Law Department is committed to providing top quality legal services to the City. The Department recognizes that its vision will not become reality or its mission accomplished without the involvement and expertise of outside counsel on particular matters. This Policy is designed to ensure that the relationship between the Department and the outside firms is well managed and that all interested parties understand the relationship. This Policy also serves to articulate the specific requirements of the relationship.

This Policy sets forth the basis for the retention of outside law firms by the City of Franklin Law Department. When representing the City, your firm is expected to adhere to the requirements. The Policy will be modified from time to time. Changes to the Policy will be communicated to the law firms representing the City at the time of the changes. It is the responsibility of each law firm to ensure it is operating under the most current version of the Policy.

General Policy Applicable to All City of Franklin Matters

The information contained in this section of the Policy pertains to all matters in which law firms are engaged on behalf of the City. Each law firm is responsible to ensure that all attorneys and support staff working on matters for the City are familiar with this Policy. Outside counsel shall act only as an independent contractor; no employer-employee relationship shall be created between the City and outside counsel or outside counsel's employees or agents. Outside counsel and law firms shall abide by the Tennessee Rules of Professional Conduct and failure to abide by these rules will result in a breach of contract with the City.

Authority to Engage Outside Counsel

The City Charter provides that only the Board of Mayor and Aldermen ("BOMA") has the authority to contract and be contracted with. Therefore, it is essential that outside law firms do not perform work on behalf of the City unless the firm has been engaged by the City Attorney, pursuant to an arrangement consistent with this Policy, and unless the representation has been memorialized in an engagement letter sent by the City Attorney to the law firm and signed by BOMA on behalf of the City.

Budgets

Each law firm that is engaged on a legal matter for which it will be compensated in any manner other than a flat fee for the representation must submit to the City Attorney a good-faith estimate of the cost of the work. While it is likely in many engagements that the cost of the matter will be difficult to estimate at the early stages of the representation, the law firm should make a serious effort to estimate fees for the entire matter, or if that is not possible, for a defined portion of the matter as is deemed appropriate. The estimate will be used by the City Attorney to determine what level of funding to seek during the engagement. Each law firm that is engaged by the City will be expected to continuously monitor the extent of fees generated and to inform the City Attorney as soon as possible if the fees are expected to exceed previous estimates. At times, it may be appropriate to estimate the fees according to various aspects of the work and plan to submit supplemental requests for funding. It is expected that, if this method is used, the law firm (through the Principal Client

Contact) will work closely with the City Attorney to anticipate when a particular phase of the work is drawing to a close and additional authority is needed. For litigation matters, please see additional information on budgets included in the section on litigation guidelines.

Firm's Lead Counsel

When the law firm is first engaged by the City Attorney, the firm will designate a Lead Counsel, who will be responsible for managing the overall relationship between the law firm and the City Attorney. The firm's Lead Counsel is responsible to designate the Client Service Team for every matter for which the firm is engaged, to oversee the billing (including arranging for any alternative billing arrangements), to ensure adherence to this Policy and top quality service, and to interact regularly with the City Attorney and the designated staff within the Law Department and to address with the City Attorney any potential conflicts of interest. The firm's Lead Counsel will be required, from time to time, to engage in a review of the relationship between the law firm and the City and to assess the quality and costs of the service with the City Attorney. The firm's Lead Counsel will be responsible to manage the particular engagement to ensure that the City Attorney is kept informed of developments in the particular matter and that the Client Service Team works closely with the City's Law Department.

City Client Service Team

Each law firm providing service to the City is required to designate a Client Service Team to coordinate with the Law Department in the representation. The team shall include the following:

1. The firm's Lead Counsel who will be responsible for the particular matter.
2. The Principal Client Contact who will be responsible to assemble the Client Service Team needed to address the particular matter and to work closely with the Responsible Law Department Attorney, other Law Department staff as deemed appropriate, and the business contacts as deemed appropriate.

At the time a matter is assigned to the law firm, the Department will expect the law firm to designate a Client Service Team appropriate to the particular matter. The experience of the team members and the number of attorneys and support staff assigned to each matter will be determined by the law firm in consultation with the City Attorney and will be designed to properly staff the matter in a manner that is appropriate, while being cost effective. Changes to the Client Service Team should not be made unless first reviewed by the law firm with the City Attorney.

City of Franklin Contacts

It is essential that, when providing legal services to the City of Franklin, the City Attorney and the law firms work closely at all times. The law firm should strive to work with the Law Department in conjunction with the business contacts in the City and not communicate solely with the business contacts. Law firms should not accept work from anyone in the City of Franklin other than the Law Department as no other department has authority to assign work to outside counsel. It is necessary that good communication be established among the law firm, the Law Department and the appropriate City Business Representative (discussed below).

The method used to provide this communication will likely vary according to the nature of the matter. For example, engagement of a firm to do multiple condemnations will require a different type of communication than one involving a single litigation matter. The City Attorney will work with the law firm to determine the type of communication that is expected for the particular matter, and the law firm shall adhere to those requirements. In addition, every firm providing legal service to the City will be expected to provide semi-annual form status reports to the City Attorney.

City Business Representative

Frequently, it will be necessary for the Law Department to arrange for the law firm to work directly with City representatives outside of the Law Department. If this type of activity is appropriate, the City Attorney will inform the law firm of the business contacts with whom the attorneys should work. The City Attorney will designate (in conjunction with the department being represented) a City Business Representative, who will serve as the principal business contact for the particular matter. In addition, the City Attorney will inform the firm's Lead Counsel of how the firm should communicate with the City Business Representative and when the Law Department Attorney should be included in those contacts. If in doubt, the law firm should always err on the side of communicating with the Law Department.

Matter Assignment

Legal work for the City of Franklin will only be assigned by the Law Department. Law firms performing work for the City should not accept any work outside the scope of the representation previously designated by the Law Department and pursuant to the engagement letter without specific written approval from the City Attorney. Any requests by business contacts to perform legal work should be immediately referred to the City Attorney. Failure to communicate additional work outside of the scope of representation to the City Attorney may result in a denial of fees claimed and any work performed will be considered a free service to the City. Any questions regarding whether a particular matter is within the designated representation for which the firm has been retained should be directed to the City Attorney.

Procurement of Professional Legal Services by the Law Department

It is the goal of the Law Department to procure legal services that are tailored to the particular legal need that has been identified. Consideration for such professional services will be at the discretion of the City Attorney, based on whether a firm's qualifications are consistent with the overall goals of the City in providing top quality legal work and opportunities for diverse law firms and attorneys to participate in the City's legal representation.

Promotion of Diversity

It is the policy of the Law Department to obtain legal services in a manner that is consistent with the City of Franklin's equal business opportunity policies. All statements of qualifications or proposals sought by the City Attorney for the provision of legal services will include a statement from the proponents on meaningful diversity practices and initiatives. Selection of outside counsel will be reviewed in light of the City's diversity objectives with consideration given to the establishment of co-counsel relationships between minority or female and majority-owned firms, the presence of female and minority partners in majority owned firms, mentor-protégé relationships, and meaningful opportunities for medium, small and sole practitioners to participate in work on behalf of the City.

Title VI

Due to federal funds received by the City, the law firm must agree, warrant, and assure that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Policy or in the employment practices of the law firm on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. Further, the law firm shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

Correspondence and Documents

All correspondence, pleadings and other documents created or transmitted by the law firm in connection with the representation of the City on a particular matter should clearly identify the matter on which the law firm is working.

Media Inquiries

Law firms retained by the City Law Department must refrain from responding to media inquiries about the legal work of the City. All requests from the media for comment should immediately be referred to the City Attorney. If the City Attorney is not available, the law firm should contact the City Administrator's office at (615) 791-3217.

Conflicts of Interest

All law firms representing the City must be free of conflicts of interests. Any potential conflicts should be disclosed and discussed with the City Attorney, whether they arise when the law firm is first engaged or arise after the relationship has been established. Conflicts will be discussed by the City Attorney and the firm's Lead Counsel and will be resolved in a manner that is consistent with the Tennessee Rules of Professional Conduct and all applicable ethics laws and regulations.

In addition to conflicts of interest that typically arise in law firms when representing private entities, an additional concern will be taken into account by the City Attorney when a determination is made on whether to grant a waiver of a conflict requested by a firm representing the City. If the request for a waiver relates to a matter of particular importance in the City's initiatives, or a particularly important public policy issue facing the City, the City Attorney may not agree to a waiver. The City Attorney recognizes that most law firms will have other clients who interact with the City on many levels and many issues. It is the intent of the City Attorney to address conflict waiver requests in a manner that affords maximum flexibility to the firms in representing other clients. However, law firms agreeing to perform work for the City should recognize that such work may at times create an actual or potential conflict and preclude the firm from representing other clients on certain public issues.

Training Programs

At times, law firms may be asked by City Business Representatives to provide training to city employees regarding particular issues of interest. Although the Law Department does not prohibit such training, no training should be undertaken without the prior approval of the City Attorney. Any training materials to be used by the law firm must be reviewed first by the City Attorney's office. Failure to submit such materials and to receive prior approval may result in a denial of fees claimed and any training provided will be considered a free service to the City.

Professional Liability Insurance

Unless otherwise requested, law firms represent that it carries professional liability insurance in accordance with the most current Government Tort Liability Act, which can currently be located at Tenn. Code Ann. § 29-20-403. It is the law firm's responsibility to keep informed of the current Government Tort Liability requirements and to adhere to those requirements. The policy shall indicate the attorneys in the firm that are covered and what percentage(s) of their practice are devoted to the area of law upon which they will be providing advice. The policy shall include at least a three (3) year Extended Reporting Provision.

If the above requirements and coverages are not included in the policy at any time during the representation, then the City Attorney may, without notice, terminate the relationship and all amounts due and owing, if any, may be paid within thirty (30) days if not disputed. The Department may request a certificate of insurance to substantiate the above coverages.

Retention of Records by Law Firms/Open Records Requests

The law firm should keep records of matters it handles for the City consistent with the Tennessee Rules of Professional Conduct and the City's internal record retention practices. The law firm should consider that some records it has in its possession, if not covered by attorney/client privilege, work

product protection or any other privilege, could be subject to an Open Records request pursuant to Tenn. Code Ann. § 10-7-501 *et seq.* If a law firm receives an Open Records request relating to a City matter, the City Attorney should be contacted immediately. Under no circumstances should a record be released or destroyed until the City Attorney's office concurs that the record is required to be disclosed or destroyed in accordance with the law.

Policy Regarding Litigation

In addition to the general policy, the following policy applies when a law firm is engaged by the Law Department to represent the City in litigation matters. These rules are supplemental and in addition to the response dates and conferences required by the Tennessee Civil Practice Act and the Federal Rules of Civil Procedure, where applicable.

Early Case Assessment

The Law Department believes that early evaluation of litigation brought against the City is an important aspect of providing cost-effective legal services. When a litigation matter is assigned to a law firm, the law firm should plan, within the first sixty (60) days after the matter is assigned, to hold a conference (the "Early Case Assessment Conference") with the City Attorney regarding how to handle the case. This early case assessment should include at least the following:

1. **Fact evaluation:** The law firm should develop the facts of the particular matter as fully as practicable during the first sixty (60) days after the matter is assigned. This factual investigation should include review of the available documents and interviews (in person, if possible) with the key witnesses.
2. **Legal authority:** The law firm should, during the early case assessment, prepare a summary of the principal legal authority relative to the matter and review this material with the City Attorney.
3. **Summary:** As part of the Early Case Assessment Conference, the law firm should prepare a written summary of the facts and law to be provided to the City Attorney prior to the Conference.

Litigation Budget

At the time a law firm is engaged to represent the City in litigation, the law firm is required to prepare a litigation budget, which should include the law firm's best estimate of the cost of litigating the matter, considering the need for expert witnesses, fact witness discovery and potential trial exhibits. The budget should be submitted to the City Attorney within sixty (60) days after the matter is assigned to the firm.

Retention of Experts

Approval by the City Attorney is required prior to any engagement of an expert by the law firm. The expert is required to submit a budget for his/her services, and approval of the budget must be obtained from the City Attorney prior to the authorization for any services. As litigation proceeds, the law firm is required to ensure that the budget is kept current. Before any written reports or summaries are elicited from an expert, the City Attorney must be contacted to discuss the effect of any such report on the case strategy.

Extensions of Time

Because lengthy extensions of time to respond to pleadings or provide discovery responses can increase the cost of litigating a matter or delay its resolution, lengthy extensions should not be routinely sought. Prior to authorizing any extension greater than three (3) months, the law firm must discuss the request with the City Attorney.

Vendors

Use by the law firm of vendors, such as court reporters, document management companies, or investigators, should be coordinated by the law firm with the City Attorney. The City of Franklin Law Department encourages law firms to seek opportunities to include minority, women and locally-owned business among its vendors, and to include such businesses among those who do work on City matters.

Alternative Dispute Resolution

The Law Department recognizes that certain, special matters may be considered for alternative dispute resolution (“ADR”), but as a general rule the City will not agree to such terms. Any law firm engaged to represent the City in a litigation matter should, throughout that representation, seek to identify times when the use of ADR might be an appropriate and cost effective option to resolve the matter. As these opportunities arise, the Lead Counsel should discuss the possibility with the City Attorney, who in conjunction with the law firm, will make a determination as to whether the City will engage in ADR.

Settlement Authorization

No case or claim in the City of Franklin may be settled, even by the City Attorney, without the authorization of the BOMA (except as may be previously authorized by the City Budget). Any law firm representing the City should not make any offers of settlement without prior authorization from the City Attorney. All approved offers of settlement should include information about the necessity of gaining authority to settle from the governing authority of the City. The Court and opposing counsel should be informed that any settlement offer communicated is contingent on such approval.

Strategic Discussions Required

Strategic, significant pleadings and discovery responses must be discussed with the City Attorney prior to their submittal to the court or opposing counsel. Drafts may be requested by the City Attorney to ensure review prior to the due date. It is recommended that the discussions and drafts be presented with at least one week for review by the Law Department.

Questions Regarding Litigation

Any questions regarding the guidelines for handling litigation matters should be directed to the City Attorney or City Administrator.

Legal Fees and Billing Requirements

Alternative Billing Arrangements

The Law Department encourages the use of alternative billing arrangements whenever appropriate for work done by outside counsel. Such alternative billing arrangements could include flat fees for certain aspects of the work; blended rates for all personnel working on the matter; discounts associated with certain aspects of the works; standard government rates comparable to those offered the State of Tennessee or other local governments; and similar arrangements.

When the standard hourly billing method is used, the Law Department encourages law firms to consider the nature of public sector representation and adjust their hourly rates to reflect the need to be prudent in the expenditure of public money.

All billing arrangements must be discussed by the Business Representative and the City Attorney at the time the representation begins. The billing arrangement will be included in the engagement letters signed by the City Attorney and the Business Representative.

Billing Requirements

All bills for legal services should adhere to the following policy:

1. Bills should be submitted to the City Attorney.
2. The matter name and any relevant file information will be identified in the engagement letter, and this name should be used when the bill is submitted. Multiple matters should be submitted on separate invoices.
3. The preferred billing cycle is monthly. Bills should be submitted monthly covering each month's activity.
4. At the beginning of the representation, the firm's Lead Counsel should provide to the Law Department that name and contact information for the billing manager in the event we need to contact the billing manager regarding an invoice.
5. The bill should be submitted in the form substantially like the one described below; however, in addition to a detailed bill, a bill/invoice summary which states simply the hours worked, hourly rate, and total amount due should be sent as well.
6. Bills should include a record of all timekeepers on the file and the description of the work *should be in sufficient detail* to allow the Law Department and City staff to assess the nature and scope of the work performed, while protecting attorney/client privileged information. Itemize separate tasks on matters so that it is clear how much time was spent on each task; the City reserves the right to challenge the length of time spent on a task if it is not reasonable and customary under the circumstances. A single line entry of multiple tasks will not be approved.

Example of poor billing entry:

| <u>Hours</u> | <u>Attorney</u> | <u>Matter</u> | <u>Task</u> |
|--------------|-----------------|----------------|--|
| 4 hours | XYZ | ABC litigation | Met client. Reviewed documents. Researched. Discussed with counsel. Advised. Drafted letter. Billed on TimeSlips. |

Total= \$360.00

Example of good billing entry (using same tasks as above):

| <u>Hours</u> | <u>Attorney</u> | <u>Matter</u> | <u>Task</u> |
|--------------|-----------------|----------------|--|
| .50 hours | XYZ | ABC litigation | Met with Mr. Q, Ms. S and City Attorney. |
| .25 hours | XYZ | ABC litigation | Reviewed contract and exhibits, reviewed letter from Citizen B, reviewed minutes from April 1, 2007 BOMA meeting. |
| 1.0 hours | RST | ABC litigation | Researched employment law in regard to letter from Citizen B. |
| 1.0 hours | RST | ABC litigation | Researched case law on estoppel. |
| .25 hours | XYZ | ABC litigation | Telephone conference with Mr. Q discussed case law and research. |
| .50 hours | XYZ | ABC litigation | Met with Mr. Q, Ms. S and City Attorney discussed status and my thoughts on drafting the letter in response to Citizen B's letter. |
| .50 hours | XYZ | ABC litigation | Drafted letter to Citizen B responding to his breach of contract. (Note: billing time entries <i>disallowed</i> .) |

Total: 4.0 hours

Rates: RST paralegal 2 hours @ \$ 40.00 per hour = \$ 80.00

XYZ attorney 2 hours @ \$140.00 per hour = \$280.00
\$360.00

Example of Summary Sheet Invoice to be included:

ABC Litigation

PROFESSIONAL SERVICES

| <u>Staff</u> | <u>Time</u> | <u>Rate</u> | <u>Total</u> |
|--------------|-------------|-------------|-----------------|
| XYZ | 1.5 Hours | \$140.00 | \$210.00 |
| RST | 1.5 Hours | \$ 60.00 | <u>\$ 90.00</u> |

TOTAL FEES THIS INVOICE: \$320.00

Travel

The City will reimburse outside counsel for reasonable travel expenses associated with the legal work performed on behalf of the City, provided the expenses meet all regulations established by the City's current Travel Policy, a copy of the most recently adopted version is attached as Exhibit A. All travel must be pre-approved by the City Attorney, and the law firm representatives should make travel arrangements that are consistent with the prudent use of public funds. Law firms will not be reimbursed for first class air travel, expenses at luxury hotels or similar expenditures. The City also will not pay for time spent traveling unless the attorney was performing work for the City while en route.

Staffing

When staffing a matter for the City, care should be taken to ensure that the staffing is appropriate for the matter, with limitations on the number of timekeepers assigned to the file. The number of timekeepers and the experience level of those timekeepers should be consistent with professional standards considering the complexity of the matter and the volume of the work. Staffing should be established at the beginning of the representation, and any changes to that staffing must be reviewed with the City Attorney.

Expenses and Disbursements

The City will reimburse law firms for reasonable disbursements. The cost of filing fees, long distance phone calls (telephone and facsimile), messenger and overnight delivery charges will be reimbursed at the actual expense incurred. Copying charges will be reimbursed at the maximum rate approved by BOMA in its records policy, a copy of the most recently adopted version can be found online at www.franklinton.gov. Absent extenuating circumstances, it is expected that the firm will not charge the City for that research in addition to the time spent performing the research by the timekeeper. The City will not pay for secretarial overtime, library services, temporary employees, and similar expenses that should be included in the law firm's overhead (i.e., filing, billing, Westlaw® fees, etc.). Because the City is exempt from all taxes, such a line-item should not be charged. All other fees and charges shall be presumed to be a part of the Outside Counsel's overhead and shall be denied unless specifically authorized by the City Attorney.

J. W. Luna
jwluna@lunalawnashville.com

July 25, 2017

*Privileged and Confidential
Attorney-Client Communication
And Attorney Work Product*

Shauna Billingsley, Esq.
City of Franklin
109 3rd Avenue South
P.O. Box 305
Franklin, TN 37065

Re: *Engagement of Luna Law Group, PLLC*


Dear Ms. Billingsley:

We are pleased that you have again engaged the Luna Law Group, PLLC (“Firm”), to represent the City of Franklin, Tennessee (“City”). The additional scope of services will include advice, counsel and strategic planning for the permit appeal for the National Pollutant Discharge elimination System (“NPDES”). It is the practice of our Firm to enter into engagement letters with all of our clients. This letter serves the general purpose of setting forth the basis upon which we have agreed to undertake this representation.

We look forward to working with you on this matter, and we value and appreciate this opportunity. We believe that candid communication between us is essential and we welcome any suggestions you may have at any time as to how we might better be of service.

Scope of Representation

Our client in this matter will be the City of Franklin, Tennessee. Unless we receive instructions to the contrary, we will direct all of our communications and correspondence on this matter to your attention. If you would like us to communicate instead with someone else on any particular subject, please provide the appropriate information when you return the signed copy of this letter.

Our services will include advice, counsel and strategic planning for the permit appeal of the NPDES. You may limit or expand the scope of our representation as this matter progresses, provided that any substantial expansion of our services must be agreed to by us in advance and must be consistent with both our ethical obligations and the terms of this letter.

I will have the principal responsibility for this representation. With your concurrence, I may propose the utilization of other attorneys and legal assistants when we believe that such

action would be beneficial to our representation of you and cost-effective. Each of us will be generally available for consultation as this matter proceeds and ask that you and other appropriate representatives of the City be reasonably available to confer as needed.

Review of Conflicts

We have implemented our conflicts screening mechanisms and are aware of no conflict in representing the City. As you know, and we have made you aware, we have represented a few development interests in obtaining permits and various approvals from the City of Franklin but none of these prior representations pose a conflict with this engagement. Should we identify any other potential conflict of interest in the future, full disclosure will be made to the City as soon as we become aware of it. The City should be aware, however, that Luna Law Group, PLLC represents other clients on a variety of environmental and governmental relations issues in Tennessee. These clients may include those who are adverse to the City on matters unrelated to the scope of our services covered by this letter. In order to assure our mutual understanding and agreement about our policy and approach to this type of situation, we ask that you confirm by your signature below that the City consents to our representation of such other clients in the future where we determine and you agree, after full disclosure of the circumstances, that (1) our Firm would not be hindered in continuing to represent the interests of the City; (2) our Firm's independent professional judgment would not be adversely affected by undertaking the representation of another client; and (3) such representation would not involve the use or disclosure of any confidential information about the City. Under such circumstances you agree that consent to such representation will not be unreasonably withheld.

In any event, following the completion of this engagement, we will not be precluded from accepting engagements on behalf of other clients which may be adverse to the City if such engagements are unrelated to the scope of our representation as described in this letter and provided, of course, that any and all information that may be disclosed to the Firm in the course of its representation of the City shall not be disclosed to any current or future client of the Firm.

Payment for Our Fees and Expenses and Retainer

We customarily charge for our services on an hourly basis. The hourly fee will vary depending upon the person who is working on the matter and the fee schedule then in effect. We review our rates during the last quarter of each year and adjustments generally will become effective for work performed on or after the following January 1.

For matters of this nature, my current rate is \$485.00/hour. The rate for our paralegal, Carlinda Booher, is \$120.00/hour.

We customarily request clients to provide us with a refundable retainer to bill our fees and expenses against. However, we will waive receiving a retainer in this matter.

With respect to expenses charged to clients, we charge our out-of-pocket disbursements on behalf of a client at par. These expenses include filing fees, air courier charges, court reporter charges, long distance toll charges, overnight travel expenses, etc. Sometimes, we charge secretarial or administrative staff overtime to clients when the overtime expense is incurred for a particular client due to the client's requirements or other circumstances dictated by the nature of the engagement. Also, we charge for photocopies at the rate of 20 cents per page, and for facsimiles at the rate of 75 cents per page.

Each of our attorneys and legal assistants maintains detailed time records of services performed. This practice results in a monthly billing statement showing, on a daily basis, the amount of time spent, the work performed, by whom, and the total amount charged.

We will send a statement for our services on a monthly basis and you agree to pay it promptly upon receipt. Our statements will be issued during the month following performance of the service (e.g., the statement reflecting work performed and costs incurred in June is mailed during July). Unlike many professional service firms, we do not normally impose a service or interest charge for statements not paid within 30 days. However, if any statement remains unpaid for more than 30 days, we may cease performing services until satisfactory arrangements have been made for the payment of outstanding balances as well as future fees and expenses.

We welcome at any time a frank and open discussion with you concerning our rates, monthly statements, and remittance policies as outlined above. If you have questions or concerns about any item on our statements, you may direct inquiries to me.

Privacy Notice

In the course of providing various legal advice, we may receive significant personal financial information from our clients. Tennessee attorneys have historically been bound by professional standards to maintain the confidentiality of client information, including personal financial information. Our lawyers strictly abide by these professional standards and hold all information we receive from you in confidence. We do not release your confidential information to people or entities outside the firm, except as agreed to by you, or as required by law.

Legislation has imposed certain federal privacy requirements that are less stringent than those under which the Firm operates. We will continue to adhere to the more stringent requirements of the Tennessee Rules of Professional Conduct. However, federal law requires us to specifically advise you that in order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

Termination of Representation

The City has the right to terminate our representation at any time. We will have the same right, subject to the duties imposed upon attorneys by the Tennessee Rules of Professional

July 25, 2017

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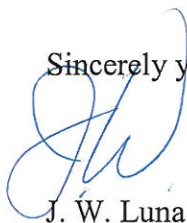
Conduct. Upon any such termination, all fees and interest previously incurred and all costs previously advanced will be immediately due.

Unless previously terminated by us in writing, our representation of the City in this matter shall be deemed terminated upon our sending you our final statement for services rendered. Following such termination, any otherwise non-public information supplied to us in the course of this representation will be kept confidential in accordance with applicable rules of professional conduct.

At the conclusion of our representation of the City in this matter, by termination or otherwise, our files, including attorney work product pertaining to our representation will be retained by the Firm. All such documents will be transferred to the person responsible for administering our records retention program. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to destroy or otherwise dispose of any such documents or other materials retained by us within a reasonable time after the termination of the engagement. At your request, the City's papers and property will be returned promptly upon receipt of payment for outstanding fees and costs.

We appreciate the opportunity to represent the City. We invite any questions you may have concerning the terms of this agreement or any other aspect of our relationship. To confirm the decision to engage our Firm and to consent to our disclosure of our representation of the City as a representative client of the Firm, please date and sign as an authorized representative of the City where indicated below and return the signed copy to us in the envelope provided, keeping a copy for your files.

Sincerely yours,



J. W. Luna

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The City of Franklin, Tennessee hereby agrees to retain Luna Law Group, PLLC, on the foregoing terms.

By: _____

Its: _____

Dated: _____