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Proposal to Provide

District Legal Services for Board of Directors

Presented to:

Tri-City HealthCare District

January 12, 2018

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ONTARIO

RIVERSIDE

SACRAMENTO

SAN DIEGO

WALNUT CREEK

WASHINGTON D.C.

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I. COVER LETTER

January 11, 2018

OVERNIGHT DELIVERY

Teri Donnellan, Executive Assistant
Tri-City HealthCare District
4002 Vista Way
Oceanside, CA 92056

Re: Response to Request for Proposal – District Legal Counsel for Board of Directors

Dear Ms. Donnellan:

On behalf of Best Best & Krieger LLP (BB&K), I am pleased to submit this proposal to provide Healthcare District Law services to the Tri-City HealthCare District's (District's) Board of Directors. In addition to BB&K's unparalleled local public agency practice, our healthcare experience and institutional knowledge of the District provide BB&K with the expertise and background to provide the most cost-effective, sound legal services available to the District.

We have reviewed the information in the Request for Proposals and are committed to providing the scope of services required. BB&K is a limited liability partnership established in Riverside, California in 1891 and has been in business for 126 years. Our Riverside office remains our headquarters and is located at 3390 University Avenue, 5th Floor, Riverside, California 92502.

Our firm offers unparalleled local public agency legal experience and knowledge combined with the availability, responsiveness, and familiarity of a local firm. We currently serve as General or Special Counsel to over 600 public agencies throughout the state, including agencies that administer or provide health care services. Our health care clients are comprised of providers and payers, health care systems, hospitals, medical groups, individual practitioners and health care related businesses. Our highly regarded and skilled lawyers focus on all areas that would be of interest to the District, including assisting in developing of Board meeting agendas; preparing ordinances, resolutions, contracts, and written legal opinions; analyzing proposed and enacted legislation; advising on matters regarding healthcare district boundary expansion issues involving Local Agency Formation Commission (LAFCO); advising the District's Board of Directors on laws such as the Brown Act, Public Records Act, Government Code, Health and Safety Code, California Environmental Quality Act (CEQA), conflict of interest and Political Reform Act; and competitive bidding laws, seeking advice from regulatory agencies; and participating in the legislative process at both the state and federal levels.

In addition, our firm has an experienced Health Care Practice Group that can be utilized by the District when needed. We integrate our strengths as a multi-service law firm and draw upon the knowledge of attorneys throughout the firm on issues that impact health care clients, such as business, tax, nonprofit issues, finance, transactions, health facility and commercial construction, public agency issues, land use, environmental issues, labor and employment, pensions, intellectual property, real estate, and litigation.

This holistic approach to providing legal services to health care clients, including healthcare districts like Tri-City HealthCare District, allows us to offer practical solutions and guide our clients to implement those solutions. We use our knowledge of the health care industry to address legal challenges and to prevent legal issues from becoming obstacles to our clients' delivery of efficient and cost-effective health services.

At BB&K, we passionately support our clients' missions by understanding and becoming part of our clients' business models. We listen and collaborate with our clients to seek solutions, set priorities, and achieve their objectives. We tailor our processes to efficiently and effectively address their needs and keep informed and involved to avoid legal surprises.

BB&K proposes that I serve as lead Board Counsel for the District's Board of Directors. I will be the primary contact, will supervise all legal work provided by our firm, and will be responsible for ensuring the responsiveness of legal services should we earn the contract. I am a Partner of the firm authorized to negotiate and contractually bind BB&K to the terms of this proposal. My contact information is as follows:

Jeffrey Ballinger, Partner
655 West Broadway, 15th Floor
San Diego, California 92101
(619) 525-1343 (direct)
(858) 598-4739 (mobile)
jeff.ballinger@bbklaw.com

On behalf of BB&K, we would be honored to provide legal services to the District's Board of Directors. We appreciate your consideration of our proposal. Please let me know if I can answer any questions you may have or if you would like to further discuss this proposal.

Sincerely,



Jeffrey Ballinger, Partner
of BEST BEST & KRIEGER LLP

cc: Paula C. P. de Sousa Mills

II. QUALIFICATIONS

A. Lead Attorney Qualifications

BB&K proposes Jeffrey (Jeff) Ballinger to serve as Lead District General Counsel. He has been practicing law for over 18 years and is experienced in providing general counsel services to various types of local public agencies, including healthcare districts. During his time in law school, Jeff's exemplary legal skills were recognized by the Order of the Coif, trial advocacy awards for "Best Opening Argument" and "Best Cross Examination," and the "American Jurisprudence Award" for torts. Jeff also participated in USC's Post-Conviction Justice Project and was a staff member and article editor for the Southern California Law Review. Please see Section II D for a full description of Jeff's qualifications and experience.

B. Firm Background

Established in 1891, BB&K is a limited liability partnership managed by a five-person Executive Committee chaired by the firm's managing partner, Eric L. Garner. Additional firm leadership members include office managing partners, practice group leaders, and other professional staff. BB&K currently employs 206 attorneys, 37 paralegals, and approximately 150 secretarial and administrative staff. BB&K consists of equity and non-equity partners, of counsels, associates, and governmental affairs directors as well as administrative directors, paralegals, and administrative staff. Our headquarters is in Riverside, California.

C. Office Location, Availability, and Reducing Expenses

If BB&K is selected to provide general legal counsel, the District would be primarily served from our San Diego office. While office location can be important, when it comes to client service and developing long-term client relationships, we have found that office location is not as important as our communication technology, flexibility, and responsiveness. BB&K has state-of-the-art teleconferencing technology that we can use to be anywhere at any time as well as video and electronic conferencing capabilities. We have found that this form of "virtual face-time" can sometimes be more valuable for all parties than communicating by email or conference call.

Our office locations are listed below:

San Diego Office	Indian Wells Office	Irvine Office
655 West Broadway, 15th Fl. San Diego, CA 92101 Phone: (619) 525-1300 Fax: (619) 233-6118	74-760 Highway 111, Ste. 200 Indian Wells, CA 92210 Phone: (760) 568-2611 Fax: (760) 340-6698	18101 Von Karman Avenue, Ste. 1000 Irvine, CA 92612 Phone: (949) 263-2600 Fax: (949) 260-0972

Los Angeles Office	Ontario Office	Riverside Office
300 S. Grand Avenue, 25th Fl. Los Angeles, CA 90071 Phone: (213) 617-8100 Fax: (213) 617-7480	2855 Guasti Road, Ste. 400 Ontario, CA 91761 Phone: (909) 989-8584 Fax: (909) 944-1441	3390 University Avenue, 5th Fl. Riverside, CA 92502 Phone: (951) 686-1450 Fax: (951) 686-3083
Sacramento Office	Walnut Creek Office	Washington, D.C. Office
500 Capitol Mall, Ste. 1700 Sacramento, CA 95814 Phone: (916) 325-4000 Fax: (916) 325-4010	2001 N. Main Street, Ste. 390 Walnut Creek, CA 94596 Phone: (925) 977-3300 Fax: (925) 977-1870	2000 Pennsylvania NW, Ste. 5300 Washington, DC 20006 Phone: (202) 785-0600 Fax: (202) 785-1234

If awarded the contract, Jeff will attend regular monthly Board meetings and any other meetings requested by the Board of Directors. Proposed Backup District Counsel, Joseph (Joey) Sanchez, will assist Jeff with legal services and attend meetings when Jeff is not available. Paula de Sousa Mills, who served as an Assistant General Counsel to Tri-City HealthCare District for nearly a decade ending in late 2008, will serve as an additional Backup District Counsel and resource to Jeff and Joey.

Our attorneys understand that a timely response to the District within 24 hours of initial contact is the cornerstone of good communication and good customer service. We know it is essential to maintain open lines of communication with the District. Jeff will return phone calls as quickly as possible, frequently check email, and promptly answer routine inquiries. Our practice will be to return phone calls and emails within 24 hours any day of the week. For inquiries on more complex matters, Jeff will respond as soon as possible and outline the timeframe for handling the matter, noting any deadline or other timing requirements.


BB&K has provided efficient and cost-effective legal services for 126 years and remains committed to working within legal budgets. In addition, through our long history working for various public agencies, we have developed many efficiencies in order to keep legal costs down, including the following:

- **Attendance Only at Mandatory Meetings; Telephone Attendance:** BB&K will work with the District and key staff to ensure that we attend only those meetings at which we are needed or phone/videoconference into meetings when sensible.
- **Model Agreements:** BB&K has standardized various commonly used agreements, which reduces the amount of legal time that is spent on routine agreements.
- **Use of Paralegals; BB&K Team Approach:** BB&K has the finest team of public agency paralegals in the state — period — and our clients should benefit from this cost-effective legal service delivery method. We have paralegals who are highly educated in core public law issues. BB&K's team approach to providing cost-effective legal services to our clients is greatly enhanced when paralegals are used extensively to provide these sorts of legal services.

- **Training to Reduce Need:** Benjamin Franklin once said "An ounce of prevention is worth a pound of cure ". BB&K can provide training in certain areas so that District staff can perform certain services rather than legal counsel, reducing liability risk. Areas of training include the use of model contracts, agreements, and amendments.
- **Litigation (Telephone Appearances):** BB&K will use telephonic court appearances whenever possible to save on travel and court waiting time.
- **Monthly Accounting Summaries:** For many clients, we provide a detailed (matter by matter) accounting summary each month to assist in tracking where they spend their legal service dollars. This accounting summary can also be tied to budgets in order to create spending goals or facilitate meeting goals. This information can be produced and provided to any client.

D. Attorney Resume

Jeffrey Ballinger, Partner – Lead District Counsel

	Phone:	(619) 525-1343
	Email:	jeff.ballinger@bbklaw.com
	Location:	San Diego
	Education:	University of Southern California School of Law, J.D.; University of California, Riverside, B.S.
	CA Bar Number:	205531 (1999)

Jeffrey S. Ballinger is a Partner at BB&K with a practice area focused on local public agency law. Jeff has served as General Counsel to the Bear Valley Community Healthcare District, and he currently serves as General Counsel to the Borrego Water District, Valley Wide Recreation and Park District, June Lake Public Utilities District, Chino Valley Fire District, and the East Kern Cemetery District. He also serves as City Attorney for the City of San Juan Capistrano and the City of Fontana.

Prior to joining BB&K, Jeff worked at the San Bernardino County District Attorney's Office in the writs and appeals department. He also worked at the Los Angeles County District Attorney's office, gaining daily courtroom experience. In addition, while attending law school, Jeff served as a judicial intern for a bankruptcy judge, Judge Mitchell Goldberg.

Since joining BB&K, Jeff has represented local public agencies at public meetings in court and in the course of complex transactions. He frequently advises his clients' governing boards on Brown Act matters. Jeff also advises public agency officials on matters including the Political Reform Act and the Public Records Act. In addition, he has successfully defended land use and CEQA challenges to his public agency clients both at the trial and appellate levels.


Jeff has made presentations at various California Special Districts Association events on topics including the Brown Act, Assembly Bill (AB) 1234 Ethics, and Proposition 218/Public Financing Mechanisms. He has also presented legal training on the Government Claims Act and government procurement in California. In addition, he has provided dozens of AB 1234 ethics training courses to local public agencies throughout the state.

Jeff received his undergraduate degree in sociology/law & society from the University of California, Riverside. He received his Juris Doctorate degree at the USC School of Law. During his legal education, Jeff also received the Order of the Coif, trial advocacy awards for "Best Opening Argument" and "Best Cross Examination," and the "American Jurisprudence Award" for torts. Jeff also participated in USC's Post-Conviction Justice Project and was a staff member and article editor for the Southern California Law Review.

Jeff is a member of the San Diego County Bar Association. Jeff also serves on the Board of Advisors to the University of Southern California Sol Price School of Public Policy Executive Education Forum. He has taught legal courses at his undergraduate alma matter, the University of California, Riverside. Jeff has provided pro bono legal representation to Habitat for Humanity, Central City Lutheran Mission, and several Lutheran congregations. Jeff also served on the board of directors and as president of the Hemet-San Jacinto Economic Development Corporation. Jeff co-authored an article appearing in Los Angeles Lawyer magazine entitled, "When Attorneys Serve as Local Politicians."

Jeff is putting his local public agency law experience and knowledge on such issues as the Political Reform Act and the Public Records Act to use while serving as Special Counsel to LA28. LA28, a nonprofit which he has served as Special Counsel since 2015, was formed to successfully bring the Olympics to Los Angeles in 2028.

Joseph R. Sanchez, Partner – Backup District Counsel

	Phone:	(619) 525-1372
	Email:	joseph.sanchez@bbklaw.com
	Location:	San Diego
	Education:	University of San Diego School of Law, J.D.; Southwestern University in Georgetown, TX, B.A.
	CA Bar Number:	186622 (1996)


Joey Sanchez is a Partner in the Labor & Employment and Education Practice Groups of BB&K. Joey advises clients on a variety of labor and employment issues, including collective bargaining, employee discipline and termination, family medical leave laws, wage and hour issues, disability leaves, equal employment opportunity laws, and federal transit labor law. Joey also serves as General Counsel for public school districts and other special districts.

Joey has significant experience in representing public agencies as labor counsel. Prior to joining BB&K, Joey served as lead labor counsel for the City of San Diego and represented the city in negotiating with its five labor unions. He represents numerous special districts, cities, schools and other public agencies in a broad range of labor and employment issues, including policies and procedures, employee discipline, employee leave, collective bargaining, wage and hour standards, Equal Employment Opportunity Commission (EEOC) laws, administrative hearings, and Peace Officer Bill of Rights/Firefighter Bill of Rights conflicts.

Joey has specific experience serving hospitals and healthcare districts, including previously serving as Labor and Employment Counsel for the District. Joey also serves as Labor and Employment Counsel for Catalina Island Medical Center.

Joey also serves as lead Labor Negotiator for several public agencies. He has significant experience representing districts in administrative proceedings, including successfully defending unfair labor practice charges before the Public Employment Relations Board (PERB) and in grievance arbitrations and mediations. He also has experience responding to complaints made to the EEOC and Department of Fair Employment and Housing office. Joey can provide representation in all matters of labor relations, personnel administration, and collective bargaining.

Paula C. P. de Sousa Mills. Partner – Alternate Backup District Counsel

	Phone:	(619) 525-1328
	Email:	paula.desousamills@bbklaw.com
	Location:	San Diego
	Education:	University of the Pacific, McGeorge School of Law, J.D.; University of California, Santa Barbara, B.A.
	CA Bar Number:	192038 (1997)

Paula C. P. de Sousa Mills serves as General Counsel to public agencies and is particularly experienced and knowledgeable on public contracting matters as well as issues related to LAFCOs. A Partner in BB&K's Special Districts Practice Group, Paula is based in the firm's San Diego office.

Paula practices in most areas of public agency representation, including the Political Reform Act, Brown Act, California Public Records Act, public works construction and purchasing issues, real property issues, and the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. Paula serves as General Counsel to numerous public agencies including the Metro Wastewater Joint Powers Authority, Padre Dam Municipal Water District, Santa Fe Irrigation District, Sweetwater Authority, Fallbrook Public Utility District, and Valley Center Municipal Water District. She also provides special counsel services to public agencies throughout California.

With regard to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Paula provides general counsel services to LAFCOs and regularly advises other public agency clients with respect to LAFCO-related issues. She advises the California Association of LAFCOs as Assistant General Counsel and assists in drafting legislation on their behalf. She has also prepared several "white papers," utilized by LAFCOs and public agencies throughout the state, on changes in law impacting changes of organization and reorganizations. Additionally, Paula is involved with special district industry organizations such as the California Special Districts Association (CSDA), where she serves on its professional development committee, membership services committee, expert feedback teams, and other ad hoc committees as appointed.

Paula is active in the San Diego community both as a member of professional groups, such as the San Diego County Bar Association and the Lawyers Club, and through community service organizations. She is a former board member and current volunteer of the Susan G. Komen San Diego affiliate. She was awarded the Young Women's Christian Association (YWCA's) "Tribute to Women & Industry" in 2004 in recognition of her contributions to the legal industry as a distinguished woman in business. In 2012, Paula was a finalist for the *San Diego Business Journal's* "Women Who Mean Business Award."

E. Relevant Experience

BB&K is experienced in delivering effective, service-oriented solutions to complex legal issues facing public agencies that administer or provide healthcare services and, in particular, hospitals, medical centers, healthcare districts, and other healthcare providers. Importantly, we specialize in the representations of healthcare entities that are public agencies. We are committed to working within legal budgets, and we quickly respond to legal issues as they arise.

The firm has represented, either as General Counsel or Special Counsel, a variety of public agencies and quasi-public agencies that are healthcare providers or entities, including, but not limited to, Bear Valley Community Healthcare District, Hi-Desert Memorial Healthcare District, San Geronio Healthcare District, Desert Healthcare District, Coalinga Regional Medical Center, Gold Coast Health Plan, Yolo County, Managed Risk Medical Insurance Board, County Medical Services Program Governing Board, Valley Health System (a California healthcare district), and California's prison medical system. In addition, the firm has represented other healthcare providers and healthcare related entities such as Riverside Medical Clinic, Citrus Valley Health Partners and affiliates, Dameron Hospital, Catalina Island Medical Center, Cares Community Health, Monterey County, Los Angeles County, Sacramento County, and numerous medical groups and physicians. As such, our firm is uniquely qualified to provide legal services to the Tri-City HealthCare District.

Collectively, our healthcare attorneys have served as General Counsel to various healthcare clients for decades. We understand and help navigate the day-to-day challenges of our healthcare clients. In addition to providing general counsel services, the attorneys in our Health Care Practice Group regularly advise on health care business and policy matters; health information privacy and security; healthcare operations; compliance; risk management; and major business transactions such as financings, mergers, acquisitions, and affiliations. Furthermore, our healthcare attorneys assist in drafting legislation; coordinate assisting counsel in litigation, labor, public agency, and other areas; provide legal support in achieving the client's overall goals; and perform a wide variety of general counseling services to assist governing boards, senior management, and staff.

F. References

Please do not hesitate to contact any of the following references for a more in-depth discussion of our ability to provide legal services for the District.

BB&K References

Ron Peavy, Former Board President
Bear Valley Community Healthcare District
P.O. Box 1628
Big Bear Lake, CA 92315
Phone: (909) 563-0331
Email: pvbbkl@charter.net

Vinay Rao, Board member
Valley Health System (a California healthcare district)
301 N. San Jacinto St.
Hemet, CA 92543
Phone: (951) 640-3027
Email: vr821@yahoo.com

Rudolph (Rudy) Shutta, Former Chief Financial Officer
Bear Valley Community Healthcare District
10723 Mt. Gleason Ave.
Sunland, CA 91040
Phone: (510) 326-6117
Email: rshutta@gmail.com

Tim Shackelford, Fire Chief
Chino Valley Fire Protection District
14011 City Center Drive
Chino Hills, CA, 91709
Phone: (909) 902-5290
Email: tshackelford@chofire.org

G. Legal Services

The BB&K Special Districts Practice Group focuses solely on helping public clients successfully maneuver through legal complexities and governmental mandates. From providing services on issues related to general counsel services to litigation, from issues related to public works construction projects to LAFCO proceedings and labor and employment matters, we have the experience necessary to assist the District. Because BB&K has a history of extensive involvement in all aspects of special district and health care law, we have pioneered methods to deliver advisory and litigation services in a comprehensive and cost-effective manner. Our approach ensures the highest quality and most timely representation available in California.

General Counsel Services

Board Governance. As a primarily public agency law firm, the attorneys at BB&K recognize the unique issues involved in governing a local public agency. Locally elected officials face fundamentally different legal issues than their private Board member counterparts. We understand these differences. Our attorneys are attuned to the special issues that locally elected Board members face when dealing with each other, with District staff, with third parties, and with the public. We are accustomed to providing sound, practical legal advice on issues surrounding locally elected Board governance. Whether dispensing advice regarding Board/staff relations, intra-Board relations, or effective decision-making, our lawyers are adept at providing this advice. While we at BB&K always recognize our role as non-political stakeholders, we understand that our legal advice (and, if necessary, our advocacy services) must fit the policy-making that the Board is charged with. No other law firm has this developed expertise.

Public Records Act. BB&K advises clients on all aspects of California's open government laws, including the Public Records Act. We routinely brief our clients on pending legislation and cases in this area. With the emergence of new technology, we often advise clients regarding the use of email, text messaging, records retention, and the public's right to access electronic information. We regularly speak at seminars and workshops regarding updates concerning the Public Records Act and email/technology issues. Our firm's attorneys wrote the amicus curiae brief in the recent California Supreme Court's San Jose case, involving electronic records of public officials.

Brown Act. BB&K is uniquely qualified to provide legal guidance regarding California's open meeting law, the Brown Act. Our attorneys co-authored "Governing Openly and Publicly, A Public Law Workshop for Elected Officials," a comprehensive yet usable guide to the Ralph M. Brown Act. In addition, our attorneys regularly provide training on the Brown Act through local agency organizations such as the California Special Districts Association.

Ethics and Conflicts of Interest Law. The firm's Public Policy and Ethics Compliance Practice Group counsels public agencies and their officials as well as private businesses that wish to promote public confidence in their decision-making processes by assuring the public that official conduct is above reproach. BB&K was one of the first law firms to provide ethics training courses that are tailored to meet the specific requirements of AB 1234, and we have obtained certification from the Fair Political Practices Commission (FPPC) and the Attorney General to teach such courses. Since the beginning of 2006, when AB 1234 went into effect, BB&K has provided ethics training for local public officials throughout the state. BB&K helped to develop AB 1234 curricula for the California Special Districts Association and the League of California Cities.

BB&K provides advice to elected and non-elected public officials regarding conflicts of interest laws including the following:

- Political Reform Act (Government Code § 81000 et seq.)
- Self-Interested Contracts (Government Code § 1090)
- Campaign Contribution Conflicts (Government Code § 84308)
- Incompatibility of Public Offices

We are informed of the most recent decisions from the FPPC, monitor statutory and common law changes to the law, and regularly advise clients of such changes.

Ordinances/Resolutions. Virtually every BB&K lawyer is trained in drafting ordinances and resolutions. We tailor our legal services agreements in this area to fit our individual client needs. For some clients, we draft all ordinances and resolutions; for others, we review staff drafts for legal sufficiency. We frequently assist our public agency clients with development of various policies and procedures, including information technology access and privacy and use policy development and implementation.

Contracts. BB&K attorneys develop, advise on, and negotiate health care contracts. We routinely work with public and private health care payers and providers, including hospitals, physician groups, and diagnostic centers. Our attorneys know the intricacies of health care law and regulations related to contracting as well as the business realities of providing healthcare in the industry. This combination of expertise allows our attorneys to provide unparalleled service to our clients.

Our contracts include the following:

- Third-party payer and managed care contracts
- Third party administration contracts
- Hospital provider contracts
- Hospital-based physician contracts
- Medical director contracts
- Physician recruitment contracts
- Medical foundation formation and contracts
- IPA development and contracts
- PPO development and contracts
- Physician employment contracts
- Public healthcare contracts
- Assumption of indigent care obligations
- Trauma center designation agreements
- Medical equipment and pharmaceutical contracts
- Advice and counseling in all aspects of healthcare contracting

Special Legal Services

With California's most extensive public agency practices, BB&K provides comprehensive legal counsel services to special districts and all other types of public agencies. Our services range from district formation, service area overlap and consolidation issues, policy matters, and regulatory concerns to employment and labor disputes, real estate acquisitions, development and disposition, public works projects, land use, and construction issues. BB&K's environmental lawyers are experienced in guiding our public agency clients through all aspects of the CEQA and project entitlement process, assuring full compliance with CEQA's requirements.

BB&K's Health Care Practice Group provides legal services to clients that range from large health care systems to rural hospitals and clinics and from professional medical groups to individual health care practitioners. The qualified attorneys in this group use a synergistic approach to providing health care legal services that merges experience in contracts, transactions, operations, payer-provider relations, regulatory compliance, finance, and general business counseling and allows us to offer practical solutions and guide our clients in implementing those solutions. We use our knowledge of the health care industry to prevent legal issues from becoming emergency situations.

Public Works/Public Private Partnerships. BB&K is responsible for dozens of public works construction contracts and professional services agreements currently in use throughout California. In addition to standard project delivery methods, the firm has drafted numerous design-build, design-sequencing, multiple prime, and construction manager/general contractor contracts as well as virtually every other type of alternate delivery method. We frequently review proposals and proposal documents for legal sufficiency and responsiveness and to otherwise assist clients in the evaluation process. We participate in negotiations related to insurance, indemnity, and other "legal terms" of the contract, allowing staff to focus on the scope of the performance and associated "technical terms" of the contract.

We believe that it is important to work closely with clients prior to project commencement to prepare contract documents that further the client's needs. Because of our extensive experience in contract drafting, we have a large library of sample contract provisions and boilerplates to draw upon. BB&K has extensive experience in preparing prequalification packages, notices inviting bids, bid documents, general and special conditions, and other contract documents for the design and construction of public works of improvement.

Successful public-private partnerships (P3) combine real-world business expertise with extensive knowledge about how government agencies work, from their legislative and decision-making processes and political environments to financing tools, governing laws, and public relations concerns. BB&K attorneys leverage this unique understanding when counseling public agencies and the private entities with which they partner.

Allocation and management of the risks inherent in a particular transaction, including design, construction, operation, financing and taxation impacts, as well as state and federal regulatory issues are at the heart of P3s. We have pioneered new and evolving public-private contractual arrangements for public infrastructure projects, redevelopment, military base reuse, master planned communities, and commercial and industrial projects. Proper alignment of public and private interests is critical for success; BB&K is committed to learning about and taking to heart the District's goals, aspirations, strengths, and challenges if implementing a P3 Program is what the District desires.

BB&K provides a set of tools that allow public entities, private project proponents, and investors new and expanded opportunities for successful endeavors. Whether it is the delivery of capital projects or a particular service, a concession, performance, incentive, or philanthropic agreement, BB&K has the experience and tools to help reach a workable solution.

BB&K is currently involved in several P3 efforts, including the Chula Vista Bayfront Master Plan, Hotel, and Convention Center for the San Diego Unified Port District. This hybrid infrastructure/real-estate P3 project is in the process of structuring a destination hotel and convention center, including the financing of off-site public infrastructure, public amenities, and environmental enhancements.

Environmental Law. BB&K represents special district and municipal clients in environmental issues arising under CEQA, the National Environmental Policy Act (NEPA), and the federal and state Endangered Species Acts (ESAs).

We assist public agency clients with pre-project planning and strategy before CEQA is triggered to minimize costs and maximize environmental protection; we also have extensive CEQA, NEPA, and ESA litigation experience. We prepare local CEQA guidelines on behalf of over 70 public agency clients, including water districts, cities, school districts, and other special districts.

Our attorneys assist public agency clients in all aspects of CEQA and NEPA compliance, including the preparation and review of notices of exemption, initial studies, findings and statements of overriding considerations, mitigation monitoring and reporting plans, addenda, negative declarations, environmental impact reports (EIR), and environmental impact statements. We are also experts at writing and editing EIRs to fully comply with CEQA's requirements.

If a legal challenge should arise, our lawyers are skilled in the procedural and substantive intricacies of litigating a CEQA or NEPA case, including the short statutes of limitations, administrative record requirements, and unique briefing and oral argument issues.

Land Use and Zoning. BB&K realizes that special districts do not have the same type of land use authority as cities and counties. We understand the unique processes that are applicable to special districts when dealing with land use projects, whether those of the District itself or projects proposed by third parties that the District has an interest in. BB&K advises clients on a wide variety of zoning, planning, and land use matters, including the development, implementation, and amendment of general and specific plans; zone changes; subdivisions; conditional use permits; variances; design review applications; development agreements; and other planning entitlements.

Real Property. BB&K lawyers routinely handle various real property matters that public agencies face, including leases, licenses/rights-of-entry, and easements both for property owned by public agency clients and for property that clients are considering acquiring. We are very experienced in the process of acquiring real property for public agency clients through both negotiated purchase and sale agreements and eminent domain lawsuits. Likewise, we are experienced in the sale or lease of a public agency client's surplus property and the potential alternatives to a sale (i.e. property exchanges).

We assist clients with acquisition of real property to be used for public agency water facilities, including wells, pipelines, pump stations, and other infrastructure. We also regularly negotiate water sale and lease agreements. In addition, BB&K attorneys work with clients and resource agency staff regarding establishing and meeting mitigation requirements under the federal Clean Water Act (CWA), the California Fish and Game Code, and other environmental protection laws to minimize the regulatory burden on client projects.

We have successfully litigated condemnation actions that involve virtually all aspects of eminent domain law, from "right to take" challenges and pre-condemnation damages claims to the trial (and possible appeal) of compensation claims for severance damages, improvements pertaining to realty, loss of business goodwill, loss of inventory, relocation assistance benefits, prejudgment possession, and inverse condemnation.

Fees and Taxes, Including Proposition 218. BB&K advises public agencies on revenue matters associated with the adoption, imposition, levy, collection, and defense of fees and taxes. We take an active role in helping clients comply with the substantive and procedural requirements of Propositions 13, 26, and 218, including the review of utility rate and fee studies and special tax reports. In this regard, we assist our clients in complying with the requirements for imposing new or increasing existing fees and charges and the election requirements for the adoption of special taxes, including the preparation of all required notices of public hearings for the adoption of fees and charges and ballot materials for the adoption and levy of special taxes. Our experience enables us to successfully facilitate the shift of decision-making power regarding revenue matters from elected officials to property owners and registered voters.

Labor and Employment Law. BB&K provides public employers with a full range of legal counsel and litigation services for all types of workplace issues and needs. A wide range of public sector employers turn to BB&K for representation in all aspects of labor and employment law. When necessary, our lawyers provide a vigorous defense in discrimination, harassment, wrongful termination, wage and hour, and other labor and employment litigation.

Because labor and employment problems often involve high stakes and intense time pressure, we are committed to giving employers highly responsive service. We counsel our clients on all aspects of employment laws and human resources management issues, including wage and hour standards, workers' compensation, layoffs, employee termination, discipline matters, and personnel policies. When workplace concerns arise out of the collective bargaining process, we handle contract negotiations; impasse procedures; grievance and arbitration proceedings; union representation proceedings; and unfair labor practice charges before local, state, and federal agencies.

Our lawyers regularly represent employers before the National Labor Relations Board, PERB, the California Department of Fair Employment and Housing, the EEOC, the U.S. Department of Labor and State Labor Commissioner, and the Division of Occupational Safety and Health as well as before public agency personnel boards and civil service commissions. We are committed to being a part of the solution to our employer clients' labor issues through counseling, negotiations, or litigation.

Privacy and Security. Our healthcare attorneys have assisted clients with the development and implementation of privacy and security programs, advised clients concerning significant privacy and security breaches, and responded to inquiries from the U.S. Department of Health & Human Services, Office for Civil Rights. Additionally, our attorneys routinely advise clients on day-to-day privacy and security matters, including disclosures of protected health information to third parties; negotiation of business associate agreements; and use of protected health information for marketing, product development, or similar purposes.

Litigation Services. BB&K offers its public agency clients a full range of litigation services on a variety of civil matters, including labor and employment, contracts, construction, energy, transportation, redevelopment, environmental issues, condemnation and eminent domain, assessment foreclosures, education, land use, CEQA, and water. Having both public law and litigation "under one roof" affords BB&K the opportunity to tailor its litigation services to the particular needs of its public agency clients and promotes more effective litigation management.

H. Backup Attorney

BB&K proposes Joey Sanchez to serve as Backup District Counsel when Jeff is not available or needs additional support. Additionally, Paula de Sousa Mills will provide legal support to the District as needed. Since Paula has previously provided legal services to the District, she will be able to offer historical insight to the Board. Due to her full schedule at the moment, BB&K was not able to propose her as lead counsel.

Please see Section II D for a full description of Joey and Paula's qualifications and experience.

I. Regulatory Action, Tax liens, or Legal Sanctions

No regulatory action, tax lien, or legal sanction has been taken against any of the attorneys included in this proposal. The following legal action has been taken against the firm:

In 2014, five former Bell City Council members convicted of improperly taking money from the City of Bell sued BB&K alleging legal malpractice and related claims. BB&K challenged the complaint; the court agreed with BB&K's challenge; and the plaintiffs ultimately dismissed their case. No court has ever found malpractice on the part of BB&K.

J. Value-Added Services

One of the most important value-added qualifications BB&K offers is that we are familiar with the District and have previously provided high quality legal services to the District. Moreover, we are located in San Diego County and have strong ties in and a commitment to the community. In addition to the forgoing, we offer a number of special programs and services to our public agency clients that are unique and provide added value.

For example, BB&K offers a Public Law Update Program, a proactive update service to help keep our public agency clients informed and current on various important issues affecting them. This update service, which clients can join for a fee, covers a range of topics pertinent to our public agency clients, providing, among other things, an analysis of pending and new legislation, regulations, judicial decisions, and hot legal topics affecting all aspects of public agency operation. The topics covered include general public agency legal matters such as personnel issues, the Political Reform Act and conflicts of interest, the Brown Act, CEQA, and more. The work product created by BB&K is designed for the collective use of our public agency clients participating in the program. In order to make this program cost-effective for our clients, costs are spread among all clients who choose to participate.

In addition, BB&K annually prepares and provides copies of the most recently revised Brown Act and our proposed form of CEQA guidelines updated to ensure consistency with recent legislative and judicial changes. We biennially review and prepare updated conflict of interest codes as required by law. These products are provided at a flat fee as part of a client's participation in the Public Law Update Program.

BB&K provides in-service training in all of our practice areas. We can tailor our trainings to the District's needs and budget. BB&K was one of the first law firms in California to provide ethics training courses tailored to meet the specific requirements of AB 1234, and we have obtained certification from the FPPC and the attorney general to teach such courses. In fact, since the beginning of 2006 when AB 1234 went into effect, BB&K has provided ethics training for thousands of local public officials.

BB&K regularly provides AB 1825/AB 1661 sexual harassment avoidance training to public agency employees and elected officials throughout the state. In response to the passage of AB 1825/AB 1661, the firm created a training program focused on the legal requirements of AB 1825 and incorporating real-life experiences from its litigation and advisory practice. Members of BB&K's Labor and Employment Practice Group have focused on helping our clients successfully complete AB 1825/AB 1661 training in a manner that meets both the legal requirements and the needs of the particular client. Our trainers' approach ensures that AB 1825/AB 1661 is not just another training session; it is training that is put into practice and becomes a normal part of everyday operations. In addition to our AB 1825/AB 1661 training, BB&K provides training services to clients in all aspects of labor and employment law as well as provides an annual Labor and Employment Update Seminar.

BB&K is dedicated to keeping our attorneys and our clients up to date on current issues in municipal law. We regularly prepare and distribute free e-bulletins on important cases and legislation. Our attorneys frequently attend and speak at conferences hosted by the League of California Cities, the International Municipal Lawyers Association, the Contract Cities Association, the Independent Cities Association, and the National League of Cities as well as other entities serving public agencies.

Also unique to BB&K is BBKnowledge.com, an online resources center for public agencies. This resource shares our unique perspective — built on 126 years of experience — on the challenges public agencies face every day. Through articles, blogs, videos, presentations, white papers, and links to other resources, BBKnowledge keeps visitors updated on developments affecting public agencies. More importantly, BB&K attorneys will share what these developments mean for the District. In particular, this site focuses on:

- California Public Utilities Commission
- Environmental law & natural resources
- Land use
- Public finance
- Renewable energy
- Economic development
- Ethics
- Pensions & benefits
- Public safety
- Telecommunications law

Through BBKnowledge, we invite visitors to connect with the BB&K attorneys who are deeply involved with these public law topics and share their thoughts on the challenges and solutions.

III. LEGAL APPROACH

Our fundamental role as District Counsel is to provide the Board of Directors with sound and practical legal advice. Whether drafting a contract or providing advice during Board meetings, we see our role as providing the District, its Board members, Chief Executive Officer, and administrative staff with expert analysis of the legal options available to carry out the District's policies while providing an honest and professional assessment of the legal consequences of those options. We understand that our role is not to dictate policy but rather to assist the District in formulating its own preferred policies.

Our advice will be based on the cumulative knowledge of one of the largest public agency law firms in the state plus our intimate knowledge of trends and developments for healthcare districts

We take our direction from and serve at the pleasure of the Board of the Directions. We look to the Board of Directors for direction on the District's priorities, goals, and vision.

One of our fundamental goals is to fully and clearly understand the District's goals and to build and maintain trust among the Board of Directors, the CEO, and other staff. We believe that open communication is vital to a strong relationship and that it is imperative to create a culture of frequent communication. To that end, we will be fully accessible to all.

We also understand that the Board of Directors as a whole is our client. We do not take sides, and we deliver the same advice to all Board members. For example, our practice is to inform all Board members if we provide advice to one. We have found this practice instills trust that our advice is impartial and consistent and prevents the District from being surprised about the implications of legal issues.

Litigation and assessing risk is also an inevitable part of the District Counsel's job. When analyzing risks, we will inform the Board of the advantages and disadvantages of any proposed or existing litigation, share our analysis of the likelihood of success or failure, and estimate the time and costs involved. We always strive to achieve the best results for our clients, whether that means settling a case, vigorously defending one, or actually initiating litigation.

We believe in being professional and civil adversaries with opposing counsel, recognizing that we speak for, and are a reflection of, the District. Ultimately, we understand that a decision to move forward with a project, approval, or District-initiated litigation lies with the Board of Directors; and we endeavor to provide the Board of Directors with as much information as possible to help it make a well-informed decision.

We acknowledge our role as the head of the District's "legal department" and are committed to working with the Board Members and top-level staff to supplement their roles by providing prudent legal counsel when requested. Furthermore, we recognize that the District Counsel has a responsibility to monitor its budget and perform at or under the budgeted amount.

Finally, we understand that accessibility is extremely important to the District. BB&K attorneys are always available and accessible to accommodate client requests, and we understand that time-sensitive demands require special attention. Our proposed team maintains strong and healthy practices at this time; however, they are available to begin work on the requested legal services immediately. We are committed to providing the highest quality services and will devote as much time as is reasonable and necessary to complete the requested legal services. There are no known current or future professional commitments that will hinder our availability to provide legal services to the District.

IV. FEES

BB&K recognizes the need to keep legal costs under control. We have a longstanding commitment to the affordable delivery of legal services to municipalities and public agencies. Given the depth and breadth of our experience, we often get the job done in much less time, resulting in lower overall totals.

A. Hourly Rates

General Legal Services

For general legal services, we offer the District a rate of \$320 per hour for Partners and Of Counsel and \$260 per hour for Associates. Paralegals and clerks would be billed at \$165 per hour.

Travel costs will be billed from our San Diego office at a 50 percent reduced rate for general counsel services.

Special Legal Services

For special legal services, we offer the District a rate of \$380 per hour for Partners and Of Counsel and \$285 per hour for Associates. Paralegals and clerks would be billed at \$175 per hour.

B. Estimated Monthly and Annual Cost of Services

It's our experience this general counsel work is primarily driven by the needs of the client, including the number of monthly meetings held by the Board of Directors, committees, and District staff. A typical month would entail between 30 hours to 80 hours per month, as a rough estimate, again driven by the needs of the Board of Directors and its staff. With that in mind and certain staffing assumptions, we estimate monthly costs could be between \$9,000 to \$20,000 per month and \$110,000 to \$240,000 per year. If selected, we look forward to working with the District's Board of Directors to develop a more detailed budget with additional information.

C. Reimbursements

BB&K does not charge for routine word processing, legal assistants, clerical costs, administrative support staff, secretarial costs, and office costs, including telephone and fax charges. Reimbursement of costs advanced by BB&K on behalf of the District as well as other expenses will be billed at actual cost. These currently include, but are not limited to, travel costs (mileage) at the IRS authorized rate or actual rental/fuel cost; actual expenses for being away from our offices on District business; postage; legal research; and any cost of printing or reproducing documents, photographs, or other items necessary for legal representation.

V. DISCLOSURES

Every engagement at BB&K must survive a conflicts check against the firm's conflicts database. BB&K maintains a comprehensive database on client representation. Prior to accepting any representation, the database is accessed to determine whether there are any existing conflicts. Additionally, each attorney is separately emailed a description of the proposed representation and asked to comment on any potential conflicts.

All Partners and their secretaries have coded access to the conflicts database, which includes and indexes the names of all clients, matters, opposing parties, and other parties, as well as other information, to all matters on which the firm is working or has worked. When new parties are associated with a client matter, the names of those parties are also added to the conflicts database. This database is overseen and managed by our firm's Billing and Client Information Department as well as the responsible attorney.

BB&K is currently assisting the District with its Medical Center Campus Design Build Project, providing support to the design build procurement and contracting process for the project. BB&K is working through and under contract with the District's construction manager for the project, Vanir Construction Management. Other than that project, we have determined that we do not represent any entity whose interests may constitute a conflict of interest that would prevent our continued representation of the District.