

EXHIBIT
ENGAGEMENT LETTER

Date

_____, Esquire
Firm Name: _____
Firm Address: _____

Email: _____

RE: Engagement of [Firm Name] for special private counsel legal services on matters related to the future of JEA

Dear Mr./Ms. _____ :

This letter is to confirm the engagement of [Firm Name] (the “Firm”) by the City of Jacksonville, Office of General Counsel (“OGC”) on behalf of the City of Jacksonville (“City”) for special private legal counsel related to the future of JEA. The Firm is being retained to provide specialized legal services as outside counsel to the City Council. Specifically, the Firm will provide the following scope of services to the City Council in close cooperation and consultation with the City Council and the OGC:

The Firm will provide advice and counsel regarding the following areas of law with respect to Council’s oversight review of JEA, specifically all of the strategic options¹ JEA Board and management are presently considering, and in particular the scenario which calls for the recapitalization of the utility and its associated Invitation to Negotiate (ITN) process:

- General corporate, transactions, mergers and acquisitions;
- Environmental matters, including but not limited to utility, electric, water or wastewater permitting and licensing;
- Regulatory matters;
- Labor and employment matters including labor negotiations, employee benefits, pension plans and collective bargaining;
- Procurement;

¹ *The strategic options related to JEA include and are not limited to: (1) maintaining a status quo plan inclusive of potential rate increases, workforce reduction and cost cuts, (2) maintaining a status quo plan inclusive of potential rate increases, workforce reduction and cost cuts, coupled with pursuing changes to the law (constitutional, statutory, charter or otherwise) to eliminate business restraints, (3) planning an initial public offering, (4) developing a utility cooperative (a community owned entity), or (5) achieving a recapitalization of one or more of JEA’s operations through the invitation to negotiate process.

- Local government, legislative options and related public policy matters.
- Provide all other legal services as may be requested by the Council and OGC and reasonably related to the matter described.

The Firm shall apply best efforts to utilize already existing work-product, research and resources available at the OGC in order to provide services in the most efficient and cost-effective manner possible. Because this engagement is on behalf of the collegial 19 member City Council body, the Council President may issue a policy or policies which implement rules and procedures for the proper coordination and dissemination of legal counsel to the collegial body.

Services will include advice, counsel and evaluation of matters related to the referenced legal areas, including: (1) the legal impact of the potential privatization of public utilities, (2) the engagement of third party consultants and experts (with prior City approval) to assist Council in its oversight function with regard to the potential privatization process, (3) attendance at public meetings, and (4) all other services as may be required or implied, in order to complete the scope of services and such other related legal matters as requested.

The first purpose of this letter is to confirm the Firm's initial engagement as counsel and to confirm certain information concerning fees and billing, and other terms that will govern our relationship. You will be the Firm's primary contact. As agreed, you are to provide legal services to the City at the rate of \$____.00 per hour [or pursuant to the attached schedule of fees]. The rate for other attorneys and paraprofessionals who may work on this matter and their respective rates are as follows: _____ [or pursuant to the attached schedule of fees]. Secretarial time will not be billed. In the event that the Firm may, from time to time, recommend that other attorneys and/or paralegals be enlisted to provide assistance on these matters, you will notify OGC when that is recommended to obtain prior written approval and agreement upon the hourly rate for each such person. It is anticipated that routine paralegal and attorney support will be provided directly by OGC.

This engagement is limited to a "not-to-exceed" amount of \$____.00, and is governed by Section 108.505(c) of the City of Jacksonville Ordinance Code, in addition to other provisions of the Ordinance Code. The Firm agrees to notify OGC when \$____.00 of the budget has been expended and recognizes that the *not-to-exceed* amount cannot be modified without written amendments authorized in accordance with the Ordinance Code. No fees or costs shall be billed to the City beyond the foregoing amount without a written amendment to this engagement letter signed by the Firm and the General Counsel or his designee, and subject to the required and authorized approvals as set forth in the Ordinance Code. All files created during your retention of the matters at hand are the property of the City. Upon the conclusion of the matters, or upon a written request by the Council or OGC for their production, all such files shall be returned.

The Firm will comply with the City's travel reimbursement policy (including but not limited to Chapter 106 (Budget and Accounting Code), Part 7 (Travel and Expense Reimbursement). No travel costs exceeding the amounts allowed by such policy will be reimbursed to the Firm. The Firm shall not charge for travel time to or from Jacksonville,

Florida. The Firm also agrees to charge the City the lowest amounts that it charges to other governmental clients for administrative costs such as photocopying, faxing, delivery, etc., although it is contemplated that billing for such services should be minimal because such services will normally be provided by the OGC.

Detailed monthly billings will be submitted by the 10th of each month to the City via OGC, c/o Margaret M. Sidman, Managing Deputy General Counsel, at PSidman@coj.net and hard copy to her attention at 117 W. Duval Street, Ste. 480, Jacksonville, FL 32202, along with electronic copy to Cheryl L. Brown, Director/Council Secretary at CLBrown@coj.net, and electronic copy to me at JGabriel@coj.net. The Firm shall also submit reasonably detailed itemized bills to OGC in tenth-of-an-hour billing increments format, and shall break down the tasks performed by each person involved, and will identify by initials or name each person who performs the respective tasks to OGC. Payment will be remitted by the City approximately thirty days following receipt of the billings. The parties will endeavor in good faith to resolve promptly any billing issues as may arise from time to time.

The City is aware that the nature of the Firm's practice is such that the Firm may from time to time concurrently represent one client in a particular case or matter and an adversary of that client in an unrelated case or matter if it is the Firm's professional judgment that the Firm can undertake the concurrent representation impartially and without any adverse effect on the other responsibilities the Firm has to either client. The Firm will provide the City with information regarding such matters, and seek a written acknowledgment that such concurrent representation, in unrelated matters, is not inappropriate and consent to any such present or future concurrent representations.

OGC may terminate the Firm's representation by delivering a written notice of termination to the Firm. The Firm will also have the right to withdraw from its representation of the City any time with the City's consent or for good cause without the City's consent. If the Firm is discharged or elects to withdraw, the parties will take all steps necessary to free each other of any obligation to perform further, including the execution of any documents necessary to complete the termination of the representation, and will take all steps that are reasonably practicable to protect the City's interests. If a discharge or withdrawal occurs, the Firm, subject to the applicable not-to-exceed amount, will be entitled to be paid or reimbursed for all authorized costs and expenses paid or incurred on the City's behalf, and the Firm will be entitled to be paid a reasonable fee for the authorized professional services rendered to the date of termination and for which the Firm previously had not been paid.

If this letter correctly reflects your understanding of the scope, terms, and conditions of your representation of the City Council and the City of Jacksonville, please execute the enclosed copy of this letter in the space provided below and return it to my attention. If you have any questions concerning this letter or your representation, please do not hesitate to call me.

Sincerely,

Jason R. Gabriel
General Counsel

The foregoing is approved and agreed to:

By: _____
_____, Esquire
_____, Firm

Date: _____

Approved:

Scott Wilson
Council President

Date: _____

Approved:

Cheryl Brown
Director/Council Secretary

Date: _____

Approved:

Margaret M. Sidman
Managing Deputy General Counsel

Date: _____

I have confirmed that funds are appropriated and can be encumbered to support this retention.

[Name of authorized official]
[Title of authorized official]