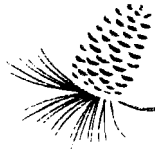


DEPARTMENT OF
HUMAN RESOURCES



CS-06-121
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2006 JUL 17 PM 4:18

LEWIS, LONGMAN & WALKER, P.A.
ATTORNEYS AT LAW

Reply To: West Palm Beach

June 23, 2006

Michael S. Mullin, Esquire
Nassau County Attorney
96135 Nassau Place, Suite 6
Yulee, FL 32097

**CONFIDENTIAL
ATTORNEY/CLIENT
PRIVILEGED**

RE: Legal Representation of Nassau County / Opinion Letter on
Special Assessment Methodology and Related Work including Potential Litigation

Dear Mike:

On behalf of the law firm of Lewis, Longman & Walker, P.A., thank you sincerely for the opportunity to represent Nassau County on the above-referenced matter. The following represents the terms and conditions of representation by the Firm on this matter:

1. Services. Lewis, Longman & Walker, P.A. will provide advice and representation to you on the development and implementation of a methodology and assessment role for the collection of non-ad valorem assessments for solid waste disposal in Nassau County. The work will also include assistance to the County Attorney as needed in the development of the appropriate ordinances for the assessment and defense of litigation, if any. I will be the shareholder in charge of this matter and will be primarily responsible for providing and supervising the legal services required. At this time, I anticipate that in addition to myself, I will utilize an associate in this office experienced in local government issues including the development of non-ad valorem assessments, Andy Bauman. I may also utilize an associate in the Firm's Jacksonville office in order to economize. As noted later in this letter, I will ensure that the associate has not previously been involved or will become involved in any other matter that may requires an appearance before the Nassau County Commission on matters adverse to the County. I will use my best judgment to determine the amount of time, who is to perform specific tasks and work, and the nature of the services to be performed in your best interests.

Original to County 7/17/06
Orig to Joyce 7/14/06

Helping Shape Florida's Future®

BRADENTON
1001 Third Avenue West
Suite 670
Bradenton, Florida 34205
p | 941-708-4040 • f | 941-708-4024

JACKSONVILLE
245 Riverside Avenue
Suite 150
Jacksonville, Florida 32202
p | 904-353-6410 • f | 904-353-7619

TALLAHASSEE
P.O. Box 10788 (32302)
125 South Gadsden Street, Suite 300
Tallahassee, Florida 32301
p | 850-222-5702 • f | 850-224-9242

WEST PALM BEACH
1700 Palm Beach Lakes Blvd.
Suite 1000
West Palm Beach, Florida 33401
p | 561-640-0820 • f | 561-640-8202

Michael S. Mullin, Esquire
Nassau County Attorney
June 23, 2006
Page 2

2. Professional Fees. I will be the primary attorney working on your matter and my standard rate is \$240.00. In addition to me, I may assign work to other attorneys or paralegals within the office, depending upon who can best do the work in the most efficient manner. The hourly rate for attorneys ranges from \$155.00 to \$240.00 per hour. The hourly rate for paralegals/law clerks range from \$95.00 to \$110.00 per hour. These rates will be in effect through December 2006 and will be modified annually thereafter in January of each subsequent year. We will provide you with our new rates along with the Firm's statement of services rendered in January of each year.

3. Costs and Expenses. The firm charges for costs and expenses incurred on your behalf for this representation. Attachment 1 sets forth the most commonly incurred costs and expenses. We may advance these costs and seek reimbursement in our billings or we may at our discretion require you to deposit these costs with us before the costs are incurred.

4. Billing and Payment. We will bill you on a monthly basis for professional services rendered and expenses incurred in connection with this matter, less any retainer amounts applied against these services and expenses. You agree to pay the amount of each statement in full within thirty (30) days of the billing date. Should you question or dispute any items or any statement, you agree to notify us in writing of any such question or dispute within fifteen (15) days of the billing date, and we will assume you do not have any dispute if we do not hear from you in that time.

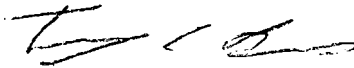
5. Conflict. In the past, members of the Lewis, Longman & Walker Firm have represented clients before the Nassau County Commission. I believe the primary attorney in most of those cases has been Brenna Durden in our Jacksonville office. However, to my knowledge, there is nothing pending before the County Commission and nothing on the immediate horizon that should involve an appearance. However, I have asked Brenna and the other attorneys in the Jacksonville office to check to determine whether any clients of the Firm have matters that are likely to appear before the Nassau County Commission. If so, they will be requested to waive any potential conflict for the specific purpose of allowing the Firm to represent Nassau County in this matter. Similarly, I request that the County waive any future conflict arising from matters unrelated to the issues identified in this letter, in the event, other lawyers in the Firm may be required by clients to appear before the Nassau County Commission. None of the attorneys involved with me, in this matter, will participate in any aspect of any other matter that may appear before the County Commission during the pendency of this representation. I trust the foregoing is adequate to allow us to continue to work together.

Michael S. Mullin, Esquire
Nassau County Attorney
June 23, 2006
Page 3

6. Default. In the event any suit or action is brought to enforce the provisions of this Agreement in any administrative or judicial proceeding, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs incurred in such proceedings, including appeals.

We sincerely thank you for choosing our firm to assist you in this most important matter. If you agree with the foregoing terms and conditions, please sign in the space provided at the bottom of the letter, return the original to me and retain a copy for your records. On behalf of the Firm, I look forward to assisting you in this matter.

Sincerely yours,

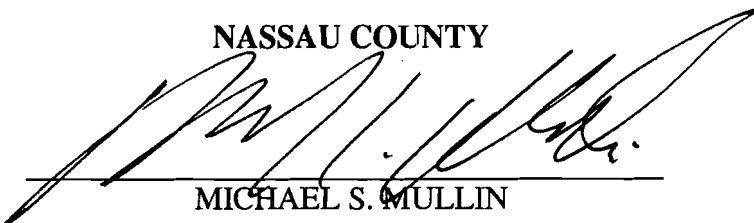


Terry E. Lewis

TEL/bt
Attachment

ACCEPTED BY:

NASSAU COUNTY



MICHAEL S. MULLIN
County Attorney

7/14/06

[DATE]

ATTACHMENT 1

Cost/Expense	Typical Charges
Computer Research	Actual usage + proportionate share of base subscription.
Court Reporters	Direct invoice from vendor to client or paid from retainer.
Delivery Charges	Actual amount invoiced to firm. Mode of delivery based on need and economy.
Messenger Service	Actual amount invoiced to the firm.
Overnight Express	Actual amount invoiced to the firm.
Telefacsimile	Outgoing: Actual telephone charge + \$1.25/page. Incoming: No charge
Photocopying	Inside copies: \$0.20/page Outside services: Actual amount invoiced to firm.
Secretarial Overtime	No charge
Telephone Charges	Actual long distance and cellular charges + proportionate share of base subscriptions.
Temporary Help	Actual amount invoiced to the firm.
Travel-Local/Surface	Reasonable mileage or actual rental charges.
Travel-Out-of-Town	Intrastate: Actual common carrier charges for coach. Interstate: Actual common carrier charges for business class. Meals/Accommodations: Lowest corporate seasonal rate available, reasonable business related meal expenses.
Word Processing	No charge
Other Expenses	Actual cost invoiced to the firm. In selected cases, these items may be directly invoiced from vendor to client.

*REQ. LANGUAGE
FOR NOTICE*

Ann Myers

From: Terry Lewis [tlewis@llw-law.com]
Sent: Saturday, July 08, 2006 4:02 PM
To: Ann Myers
Cc: Mike Mullin; Michael Burton
Subject: RE: Nassau County

*Don
Tonight*

Ann, this is my best quick estimate of hours and fees and costs on a task by task basis excluding litigation. I will deal with litigation separately.

- 1. Staff meeting participation – 8 hrs @ \$240/hour - \$1920
- 2. Board workshop participation – 8 hrs @ \$240/ hour - \$1920
- 3. Adoption hearing participation – 8 hrs 2 \$240/hour - \$1920
- 4. Work with Burton and Assc. – 10 hrs @ \$240/hour - \$2400
- 5. Legal research/opinion prep. – 10 hrs @ \$240/hour - \$2400
- 6. Resolution/Ordinance drafting – 10 hrs @ \$240/hour - \$2400 (assumes substantial participation)
- 7. Costs - \$2000
- 8. Total - \$14,960

Ann, I have tried to assume worst case in this estimate. If any of the tasks are eliminated or substantially reduced the legal fees and costs will also be eliminated or reduced. In working with Mike Burton on assessments in the past, legal fees and costs have been as low of \$4500 and as high as \$25,000 depending upon the complexity of the matter and controversy where more hearings and adjustments to assessments, etc are required.

As to litigation, the hourly rate for my participation would remain the same (\$240/hour) plus costs. I think Mike Mullin would probably agree with me that an accurate estimate of litigation fees and costs is nearly impossible. Too much depends on whether a challenger is really serious and will bring a vigorous challenge with interrogatories, depositions and the like. In such a case, it is easy to go through \$50,000 to \$75,000 quickly and still not have a result. However, if you want to have a placeholder # for litigation which assumes litigation all the way through a trial and judgment, I would not put in any less than the numbers I have just given you.

Finally, since I am new to this project, I am sure there are things I don't know yet that come to mind as potential issues. First, Section 197.3632(3)(a) requires notice in a local news paper once a week for 4 weeks before the County Commission can hold a hearing and adopt a preliminary resolution determining to use the uniform method of tax collection to collect the assessments. Has that notice and resolution adoption hearing been held? If not, it needs to be initiated immediately.

Second, Section 197.3632(3)(a) also says the local government shall adopt its preliminary resolution prior to March 1 of the year it intend to begin collection. While I know from having participated in the original drafting of the statute that the language in question was put in at the request of the State property appraiser's and tax collectors associations to make sure local governments would give them plenty of notice of a new assessment to be placed on the tax roll, the language doesn't make that clear. It is therefore possible that some challenger could at least raise the issue that the assessments can't be put on the County tax roll until 2007. That would mean that the assessments would need to be collected the first year separately. The only defense I can immediately see to such a challenge is to claim that the assessment is also being adopted pursuant to Section 191.3631 F.S. which says the County can collect the assessments by any other method authorized by law. I am asking Mike Mullin for his review of this issue and his opinion.

So far as availability for meeting, I have reviewed the two schedules for producing the report and conducting hearings sent to Mike Mahaney by Mike Burton. The only conflict I have with either one is the first meeting on July 12th. For that meeting, I can send an associate I plan to use from our Jacksonville office to the meeting and if the meeting is held fairly early in the morning (Say 8:30 or so), I can attend the first couple of hours by phone while I am driving.

I hope this information helps. I will wait to hear from you. Oh, one last thing. Your memo indicated you would go the Commission with a proposed contract Monday. I couldn't tell whether you intended to include me in the

Burton contract or contract directly with the firm, assuming my proposal is acceptable. Either way, I will need to know that the County consents to the waiver of conflict paragraph I included in the proposal I sent to Mike Mullin.

Thanks.

Terry Lewis

From: Ann Myers [mailto:amyers@nassauclerk.com]
Sent: Friday, July 07, 2006 2:18 PM
To: Terry Lewis; Sue Jarzyna; Ted Selby; Cathy Lewis
Subject: Nassau County

Terry:

This is additional information regarding the solid waste assessment.

Pursuant to FS Chapter 197, we will need to send notices to the commercial businesses and the residential customers. The residential customers have never been included on the tax rolls, and, obviously, we have never had a commercial assessment.

We have reviewed the time frames with Mike Burton, and, as I indicated, those time frames are crucial. I am sure you will need to factor this into your estimated total dollar figure. I realize it is difficult to give a total lump-sum amount, but, again, we need some estimated amount both for any drafting and legal work as the assessment is being developed as well as a rate for litigation costs.

It is my intent to discuss this with Mike Burton again on Monday, and present a draft contract to the Board on Monday night.

If you have any questions today, please contact Sue Jarzyna, the Assistant County Attorney, at 904-548-4590, or you may call me on Monday.

Thanks!

Mike Mullin