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& ASSOCIATES

October 11th 2010

Mr. Arden Wallum
General Manager
Mission Springs Water District
66575 Second Street
Desert Hot Springs, CA 92240

re: Letter of Agreement for Advocacy Services

Dear Mr. Wallum,

This memorandum shall serve as the engagement letter between Mission Springs Water District (the "Client") and Burke Rix Hines & Associates (the "Firm") for advocacy services related to the appropriation of \$35 million in funding for the Mission Springs Water District Groundwater Quality Protection Project.

Drawn from the Mission Creek Sub-basin aquifer, the Client serves some of the best-tasting drinking water in the entire world. In 1996, the Client became aware of a serious threat from the wastewater discharged from septic tanks and its effects on the regional groundwater resources. The Client took action, developed the Groundwater Quality Protection Project and completed Phase I in 2006. The Client now seeks to initiate Phase II of the project and requires \$35 million in funding to begin construction.

In 2007, the Water Resources Development Act authorized \$35 million in funding for the construction of Phase II of the Groundwater Quality Protection Project. The Client has formed an assessment district with local residents to cover the remaining \$28 million in costs for Phase II of the project, however, these matching funds will expire in 2014. The Client is eager to have the \$35 million in funding so that Phase II can begin.

Because of the many complexities of this project, the Client has asked the Firm to assist with specialized government relations and public relations services to ultimately acquire the appropriation of funds for the project. The Client has invested significant time and funding into the project and requires immediate action to ensure the protection of the regional groundwater resources.



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Burke Rix Hines & Associates is a government relations firm with decades of experience interfacing with all levels of municipal, state and federal government. We specialize in public policy research and crafting strategies to help our clients achieve their political goals. We have represented school districts, cities, utilities and private agencies throughout the state and our senior partners have personally served on some of the most prestigious boards and commissions as appointees of various Mayors, Governors and Presidents. We possess strong ties and numerous close relationships in Sacramento as well as in Washington, both in the Senate and House of Representatives. Most importantly, we seek at every turn to impact the communities where we live and work with positive solutions and just public policies. More information about our firm can be found at www.burkerixhines.com. Biographies of our principals are attached to this proposal.

The Firm shall utilize its impressive network as well as in depth experience on the inner workings of United States Senate to facilitate discussions with key decision makers regarding the inclusion of this project. The Firm shall advocate on behalf of the Client by working closely with U.S. Senator's Barbara Boxer and Dianne Feinstein. The Firm shall maintain ongoing surveillance and communication, and monitor the progress and position of the project through the committee mark-up, initial vote and final passage of the appropriation.

Burke Rix Hines & Associates will register per the laws of the State of California and all applicable Local and State jurisdictions with regard to representation, if any. The Client also agrees to comply with State of California regulations regarding representation to include completion of required reporting documents, if any.

The Client agrees to retain the Firm effective immediately. The term of this engagement shall be for one year, effective the date of signature on this document. Extensions of this engagement period will be at the sole discretion of the Client. As compensation for the performance of these duties, the Client agrees to compensate the firm in the amount of \$285 per hour for work performed by a Senior Partner and \$150 per hour for work done by an Associate. These rates remain in effect for the term of the contract. The client shall also reimburse the Firm for normal miscellaneous expenditures such as travel and related meals and lodging as approved by the Client on a case-by-case basis.

In addition to the hourly fees outlined in this agreement, the Client shall compensate the Firm with a success fee of twenty five thousand dollars (\$25,000) upon successful procurement of any funding for the Mission Springs Water District Groundwater Quality Protection Project.



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Except as set forth herein, this Agreement constitutes the entire agreement between the parties. The agreement can only be amended in writing, signed by the parties hereto. If these terms are agreeable to you, please countersign below and retain one copy for your files and return the original to the Firm.

Agreed to by:

Arden Wallum, General Manager
Mission Springs Water District

_____ (Date)

Bob Burke, Senior Partner
Burke Rix Hines and Associates:

_____ (Date)



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Bob Burke, Senior Partner

Bob Burke has been strongly involved in public and government affairs, public and legislative law and governmental relations for over 30 years. Beginning as an attorney he was central to the California campaign of Bobby Kennedy for President. Following the tragic events of this campaign he lived in Geneva Switzerland, working for an international financial giant in the transnational real estate arena. He followed this position by establishing his own legal practice in Paris France.

He was called back to the United States to serve as a senior strategist and advisor to the former Senator Birch Bayh. Continuing with Federal service he was called to work in several positions with the administration of Jimmy Carter in Washington, D.C.. Working closely with the Executive office, he managed the Congressional relations at NOAA for the United States' domestic satellite and spectral scanners. While in Washington, D.C. he further expanded his public service experience by serving as the International General Counsel to the Consumer Product Safety Commission.

Returning to his hometown of Los Angeles, Burke announced the formation of his boutique law practice, specializing in the practice of land use, environmental and commercial law. Appointed to the Appeals Board of the Building and Safety Commission by former Mayor Tom Bradley, he served as President of that Commission. He directed his practice to regulatory affairs and Administrative Law. He was named by Senate leader pro tem, David Roberti to serve as president of the California State Advisory Board on Alcohol-Related Problems. He was a founder of the Harvard AIDS Institute and president of the UCLA School of Law Board of Directors. Burke was president of the Board of Alternative Living for the Aging, a senior congregate housing non-profit in the Fairfax area. He is currently serving on the Board of the Los Angeles branch of Volunteers of America and Chair of their Property Committee. He also held with distinction a position on the Executive Committee of the State Bar Section on Public Law. Burke is actively integrated in the downtown business community with participation in the Greater Los Angeles Chamber of Commerce and the Central City Association. He is founding member of Bob Burke & Company, a lobbying firm specializing in municipal and county matters.

Bob Burke studied at Stanford University and UCLA. He graduated with a law degree (J.D.) from the UCLA School of Law and studied for an LL.M at the London School of Economics. He is a member of the California Bar, the Washington D.C. bar and licensed to practice before the U.S. Court of Military Justice and the United States Supreme Court. Bob lives in both Los Angeles and Palm Springs, California.



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Brian Rix, Senior Partner

Brian Rix started his career as an attorney and quickly moved into show business. He was one of the founding partners of Joseph, Heldfond & Rix, Inc. one of the largest agencies in the commercial arena. Brian paired Mariette Hartley with Polaroid, Mark Harmon with Coors and Patrick Swayze with Pepsi. He orchestrated John Travolta's Japanese commercial deal with Dentsu Advertising. Rix went on to produce feature films *Sioux City* with Lou Diamond Phillips and *Precious Find* with Rutger Hauer and Joan Chen.

For the past twelve years, Brian has been involved in fundraising, marketing and special events as the founder of Rix Bradford Consulting. He has done extensive work in the educational, corporate and political arenas.

Brian's education clients include the Los Angeles Unified School District. With Superintendent and former Colorado Governor Roy Romer, Rix was responsible for raising over six million dollars for three school construction bonds. All three passed resulting in over 12 billion dollars in local school construction.

Brian is very active with the State Community College system. He assisted Chancellor Mark Drummond in passing a one billion dollar construction bond and has for the last four years directed the Los Angeles Community College District Foundation under contract to the District. In addition, he is currently working on the statewide Community College Initiative, Proposition 92 on the February 2008 ballot. He works statewide with State Chancellor Diane Woodruff directing the Chancellor's Circle, a community college marketing group.

Rix has also had extensive experience in event planning and the hospitality industry. He is currently under contract with both LA, Inc., the Convention and Visitors Bureau and the San Diego Convention and Visitor Bureau. He was tapped by Mayor Antonio Villaraigosa to produce his inaugural ball, which was one of the largest political events in Los Angeles history. He recently produced the United States Conference of Mayors, which was hosted in Los Angeles in June, 2007. He was responsible for four huge consecutive evening events and managed a 1.8 million dollar event budget. The inaugural event featured performer Natalie Cole with a follow-on event featuring Melissa Etheridge. Brian lives in both Los Angeles and Palm Springs, California.



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Scott Hines, Senior Partner

Scott Hines is a public policy expert with over 15 years of professional expertise working with federal, state and local government. He specializes in real estate development, land-use, military and law enforcement, public and private education and social services related fields.

Scott possess a strong business and entrepreneurial background, having owned and sold a variety of corporate entities to include Gray Matter Corporation, Beau Monde Resort Partners and Management Group and A to Z In-Home Tutoring. Scott has also provided a variety of consulting services to Internet start-ups and other high growth businesses. A quintessential serial entrepreneur, many of Scott's talents lie in identifying emerging business opportunities – particularly in the area of public-private partnership.

Scott has served as the President of a large resort and hospitality development firm and is the former founder and owner of a national supplemental education company, delivering innovative education products to low-income and foster care youth. After growing the company into a 26-state operation, Scott sold the company to a publicly traded national foster care provider. Scott has also founded several non-profits to include Nashville Supports Early Education Staff and the Pride Parent's Association – both children and family advocacy groups. He currently serves on the board of the Mizell Senior Center in Palm Springs, California.

Prior to becoming a successful entrepreneur, Scott served as an Air Force Intelligence Officer, leading clandestine missions throughout Latin America as part of an elite Special Operations team. He ultimately served in the Clinton Whitehouse as the junior aide in the offices of the Chief of Staff of the Air Force and the Chairman of the Joint Chiefs of Staff.

Mr. Hines holds a Bachelors Degree in Political Science from the United States Air Force Academy, a Masters Degree in Public Management from the University of Maryland and a Masters Degree in Organizational Management from The George Washington University. He has been a national finalist for both the Rhodes Scholar and White House Fellow programs.

Scott Hines is a fulltime resident and City Council Member of the City of Rancho Mirage.