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September 7, 2022

Larry Oetker, Executive Director
Humboldt Bay Harbor,
Recreation and Conservation District
P.O. Box 1030
Eureka, CA 95502

Galen Schuler
California Redwood Company
1301 Fifth Street, Suite 2700
Seattle, WA 98191-2613

Re: Consent to Conflict of Interest
Humboldt Bay Harbor, Recreation and Conservation District/California
Redwood Company

Dear Mr. Oetker and Mr. Schuler:

This letter requests the consent of both the Humboldt Bay Harbor, Recreation and Conservation District (“District”) and California Redwood Company (“CRC”), to The Mitchell Law Firm, LLP’s (“Law Firm”) continued representation of the District and CRC, in unrelated matters, and the exclusive representation of the District in the ongoing consideration and negotiations with CRC with respect to the District’s potential acquisition or lease of CRC property on the Samoa Peninsula.

Existing Relationships

Law Firm, and principally Ryan T. Plotz at Law Firm, provide District Counsel services to the District on a contract basis.

Law Firm has historically and currently provides legal advice to CRC regarding real property and land use matters, timber contracting, among other matters.

Area of Conflict

Harbor District Executive Director Larry Oetker has initiated discussions with CRC representatives regarding negotiating the potential acquisition or lease of CRC property on the Samoa Peninsula as part of the District's planning process for the expansion of its port facilities.

Since Law Firm serves as General Counsel for the District, the District has asked Law Firm to represent the District in this transactional matter, including review and preparation of legal documents. It is our understanding that the principals for each party will negotiate directly and Law Firm will assist in preparing the transactional documents and providing general counsel to the District regarding the same.

Conflicts of Interest

Our law firm's past representation of CRC creates a conflict of interest related to our duty of loyalty and confidentiality to existing clients where, as here, Law Firm is requested to provide legal advice to District regarding an agreement between the District and CRC.

Providing your mutual consent does not, however, obviate our obligation to maintain client confidences or otherwise permit us to disclose any confidential information obtained from CRC to the District, or vice versa. At this time, we believe that we can exclusively represent the District as to the transactional matter and any associated agreements and still maintain our duty of loyalty and confidentiality to CRC in all unrelated matters in which we represent CRC. No privileged information previously obtained from CRC is considered to be relevant to the transaction and we do not believe that providing representation to the District will in any way cause the Law Firm to reveal any confidential information obtained from CRC.

Nevertheless, if additional facts come to our attention which lead us to believe that: (i) we could not maintain our duty of loyalty and confidentiality to the District or CRC, (ii) the issue in dispute is substantially related to the same issue in an unrelated matter in which we represent CRC; or (iii) we have obtained confidential information from the District, which is material to our representation of CRC in unrelated matters, we would require further written consent from the District and CRC before we could continue to represent the District in matters concerning the contemplated real estate transaction and related agreements.

Related to the foregoing, Rule 1.7 of the California Rules of Professional Conduct provides in pertinent part:

(a) A lawyer shall not, without informed written consent from each client and compliance with paragraph (d), represent a client if the representation is directly adverse to another client in the same or a separate matter.

(b) A lawyer shall not, without informed written consent from each affected client and compliance with paragraph (d), represent a client if there is a significant risk the lawyer's representation of the client will be materially limited by the lawyer's responsibilities to or relationships with another client, a former client or a third person, or by the lawyer's own interests.

(c) Even when a significant risk requiring a lawyer to comply with paragraph (b) is not present, a lawyer shall not represent a client without written disclosure of the relationship to the client and compliance with paragraph (d) where:

(1) the lawyer has, or knows that another lawyer in the lawyer's firm has, a legal, business, financial, professional, or personal relationship with or responsibility to a party or witness in the same matter; or

(2) the lawyer knows or reasonably should know that another party's lawyer is a spouse, parent, child, or sibling of the lawyer, lives with the lawyer, is a client of the lawyer or another lawyer in the lawyer's firm, or has an intimate personal relationship with the lawyer.

(d) Representation is permitted under this rule only if the lawyer complies with paragraphs (a), (b), and (c), and:

(1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;

(2) the representation is not prohibited by law; and

(3) the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal.

(e) For purposes of this rule, “matter” includes any judicial or other proceeding, application, request for a ruling or other determination, contract, transaction, claim, controversy, investigation, charge, accusation, arrest, or other deliberation, decision, or action that is focused on the interests of specific persons, or a discrete and identifiable class of persons.

Consent

As attorneys where we have a relationship with multiple parties a conflict of interest must be disclosed and informed written consent obtained from both parties. Accordingly, we are seeking the informed written consent of the District and CRC before providing legal advice regarding the ongoing negotiations with the District. We ask that the District and CRC jointly waive the disclosed conflict, and allow Law Firm to provide exclusive legal advice to the District regarding the negotiations and amendments to the Agreement, while providing continued and concurrent representation to CRC on unrelated matters.

Consent to Request

If, after considering the foregoing, the District and/or CRC is willing to consent, please sign and return to us the enclosed copy of this letter (i) acknowledging that we have informed you of our existing relationship with the District and CRC; (ii) acknowledging that the District and CRC, has been advised of the conflict of interest associated with our representing the District, in this transactional matter; and (iii) indicating that the District/CRC consent to our representation as described in this letter.

If the District or CRC, are not willing to consent, we will declare a conflict and assist the District, in locating alternate counsel for the matter. No advice has been provided to CRC nor will it be provided regarding the transactional matter.

If you have any questions regarding this letter or our concurrent representation of CRC and the District and/or the waiver requested to provide exclusive representation to the District for this contract review, please contact us before signing and returning the enclosed copy of this letter.

Very truly yours,

THE MITCHELL LAW FIRM, LLP



Ryan T. Plotz

CONSENT

The Mitchell Law Firm, LLP (“Law Firm”) has explained the conflict of interest related to Law Firm’s representation of the Humboldt Bay Harbor, Recreation and Conservation District (“District”), in connection with the District’s potential acquisition or lease of property on the Samoa Peninsula with California Redwood Company (“CRC”). I acknowledge the disclosure of Law Firm’s representation of both the District in unrelated matters, the conflict arising from such previous representation, and the conflict attendant to providing exclusive legal advice to the District regarding the transactional matter and the consequences of any actual unwaived conflicts that may later arise. The undersigned nevertheless provides its informed written consent to Law Firm’s exclusive representation of the District with respect to the real property acquisition between the District and CRC, and consent to Law Firm’s continued and concurrent representation of CRC on unrelated matters.

Humboldt Bay Harbor, Recreation and Conservation District

Date: _____

By: Larry Oetker, Executive Director

California Redwood Company

Date: _____

By: Galen Schuler, Vice President, General Counsel &
Corporate Affairs