

May 2, 2017

Jeffrey Baier  
Superintendent  
Los Altos School District  
201 Covington Road  
Los Altos, CA 94024

**Re: Engagement Agreement**

Dear Jeff :

This letter describes the terms on which Arent Fox LLP (the **Firm, we or us**) has agreed to provide legal services to Los Altos School District (the **Client or you**). Our internal policies and the provisions of the California Business and Professions Code require us to provide you with a written statement of the terms on which you have engaged us and on which we have agreed to provide legal services to you.

**DESCRIPTION OF ENGAGEMENT**

Initially, we have been engaged to represent you in connection with designing and negotiating a transferable development rights program with the City of Mountain View, California. Our engagement includes any services in connection with this matter which we may have undertaken prior to the date of this letter. The scope of our engagement under this letter may be enlarged from time to time as you ask us to perform additional services and we agree to perform such additional services. No additional written agreement will be required to document these periodic changes.

**DESCRIPTION OF BASIS FOR LEGAL FEES**

We charge for legal services on the basis of the time devoted to your matters by our professional staff in performing the services. Our hourly rates for attorneys and other professionals likely to be involved in your matter are being specially set for the District. These rates may be adjusted from time to time, typically on an annual basis. I anticipate that most of the work on the initial matters for you will be performed by some combination of Frank Petrilli, Matt Stone and me. My special hourly rate is \$650, Frank's special hourly rate is \$425 and Matt's special hourly rate is \$300.

## **RETAINER ARRANGEMENTS**

For this matter, we require an initial retainer in the amount of \$10,000. The retainer must be paid by a check or by wire transfer to our client trust account as follows:

Bank:	Citibank, N.A. Branch # 395 787 W. 5th St., 28th Floor Los Angeles, CA 90071
ABA Routing No:	321171184
Account No:	202020335
Account Name:	Arent Fox LLP IOLA Account

This account is regulated by the State Bar of California, and any information regarding this account is provided to you confidentially for the sole purpose of retaining us.

Each month we will deduct from your retainer the fees and costs for services performed during the previous month. Each month, within 30 days of your receipt of our monthly billing statement, you agree to pay the amounts set forth and billed during the previous month, in order to replenish the original retainer. You agree that the retainer will be replenished on a monthly basis so that at no time will it fall below \$10,000 for more than 30 days. If you fail or refuse to promptly replenish the retainer, the Firm will be permitted to withdraw from further representation of the Client.

Of course, the balance of the retainer, if any, remaining after our final closing statement will be refunded to you promptly.

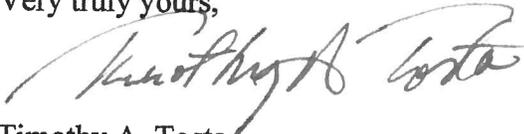
## **GENERAL PROVISIONS**

The provisions attached to this letter and entitled "General Provisions" are incorporated into this letter with the same effect as if they were expressly set forth in this letter. If you have any

questions about this letter, please do not hesitate to call to discuss them before countersigning this letter. If you do wish to proceed, please sign the enclosed copy of this letter and return it to me to confirm your agreement to the terms of our engagement. Please note that our engagement will not be effective unless and until you sign the letter, we sign the letter and you pay any required retainer.

We look forward to working with you.

Very truly yours,



Timothy A. Tosta  
Arent Fox LLP

**Agreed:**

**LOS ALTOS SCHOOL DISTRICT**

By:

  
\_\_\_\_\_  
Jeffrey Baier  
Superintendent

Arent Fox LLP | Attorneys at Law  
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San Francisco, CA 94105  
415.805.7969 DIRECT | 415.757.5501 FAX  
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## **GENERAL PROVISIONS**

### **DESCRIPTION OF BASIS FOR CHARGES OTHER THAN LEGAL FEES**

In addition to fees, you will be responsible to reimburse us for third-party costs incurred on your behalf and to pay our customary charges for various services such as toll calls, travel, facsimile, central word processing, LEXIS/WESTLAW and other computer database uses, duplicating, messengers, secretarial overtime, and transcripts, if applicable. In some cases, our customary charges for these services exceed the direct costs incurred by us in providing these services.

### **BILLING AND PAYMENT PROCEDURES**

Our statements will be rendered periodically, typically monthly. Charges for expenses will be based on information available to us at the time the statements are rendered. In appropriate cases, the statements may include estimated charges for expenses, in which event the estimates will be reconciled when final information becomes available.

Our statements are payable upon receipt. Prompt payment is a requirement for our continued representation. If statements are not paid within 30 days after the invoice date, we retain the right to charge interest on overdue amounts at the rate of 1% per month (12% Annual Percentage Rate). In the unfortunate event that we are forced to incur collection costs to obtain payment, you also will be responsible for the collection costs, including reasonable attorneys' fees.

You agree to review each invoice promptly after you receive it, and notify us of any objections or defenses to payment. If you fail to do so within 30 days after you receive the invoice, you will be deemed to have approved the invoice and to have waived any objections to its payment in full.

You acknowledge and agree that we have a lien on any award, judgment, recovery or other amounts payable to you in the matters on which we represent or have represented you.

### **TERMINATION OF REPRESENTATION**

#### **Your Right to Terminate Representation**

You have the right to terminate our representation at any time.

#### **Our Right to Terminate Representation**

We may also terminate our representation of you at any time for any reason consistent with the Rules of Professional Conduct, including non-payment of fees and charges.

#### **Conclusion of Our Representation**

At any time there are no active matters in which we are representing you, you will be considered a former, rather than a current, client of ours, unless and until you ask us to perform additional services and we agree to perform such additional services. If you become a former client, we will be entitled, under applicable Rules of Professional Conduct, to undertake representations adverse to you in matters that are not the same as, or substantially related to, any matter in which we have represented you. However, under no circumstances will we, in the course of representing any other client, use or disclose any confidential, non-public information that we have obtained as a result of any representation of you.

Upon termination of our representation, you will be responsible for the fees and charges incurred in connection with our representation up to the termination, and for the fees and charges to transfer the work to another attorney. You will give us a reasonable period of time to make copies of all client files we transfer to you or another attorney.

If, after termination, we return files to you or others you designate, and we elect not to copy all of the files, you agree (or agree to cause the recipients of the files to agree) that (i) the recipient will make the files reasonably available to us over the 90-day period after the date of transfer for review and copying (at your expense) upon our request; (ii) the recipient will retain the files for a period of at least six years from the date of transfer; (iii) the recipient will not destroy or transfer the files without giving us prior written notice, and will give us a reasonable period to review and/or copy the files prior to disposition; and (iv) the recipient will return to us any documents or files that may have been mistakenly transferred to the recipient.

#### **LIMITATION ON OUR OBLIGATIONS**

You agree that our acceptance of this engagement does not involve an undertaking to represent you or your interests in any matter other than that described under the paragraph entitled "Description of Engagement." You also agree that our representation does not entail a continuing obligation to advise you concerning legal developments that arise after we have completed an assignment for you, even if the developments affect a matter in which we have represented you.

#### **EXISTING CONFLICTS OF INTEREST**

We cannot, without appropriate consent, represent any party if there is a conflict of interest with any of our other clients. In order to avoid conflicts of interest among our clients, we maintain an index of relevant names. In connection with this matter, we searched our index for the following names: City of Mountain View. Please advise us if you know of any other individuals or entities that may be involved in this matter. In addition, please inform us at once if you learn in the future of other persons or entities that may be involved so we can perform a conflict of interest search with respect to them. Our search revealed that we have no conflict.

#### **ADVANCE CLEARANCE OF CONFLICTS OF INTEREST**

You are aware that we represent many other companies and individuals. It is possible that some of our existing or future other clients will have disputes with you (or your affiliates) or engage in transactions with you (or your affiliates) during the time that we are representing you. Therefore, as a condition to our agreement to undertake the representation of you, you have agreed that, without further notice to you, we may continue to represent or may undertake in the future to represent existing or new clients in any matter (including any litigation matter) that is not the same as, or substantially related to, any matter in which we represent you, even if the interests of the other clients in those other matters (or in the matters in which we represent you) are directly adverse to you (or your affiliates). Of course, under no circumstances will we, in the course of representing any other client, use or disclose any confidential, non-public information that we have obtained as a result of our representation of you. You recognize that the agreement in this paragraph is an essential condition of our representation of you and you therefore agree that it cannot be terminated without our written consent.

#### **AFFILIATES**

If you are an entity that has affiliates, we and you agree that only you will be our client and we will not be regarded as representing any affiliate of yours unless and until we enter into a separate written engagement letter with it.

### **NONLAWYER PROFESSIONALS**

Some of our services may be provided by nonlawyer professionals (such as government relations directors). You should be aware that communications between you and a nonlawyer professional may not be covered by the attorney-client privilege even if the same communication would be protected by that privilege if made between you and an attorney.

### **RETENTION OR DESTRUCTION OF RECORDS**

We adopt policies from time to time concerning the retention or destruction of records relating to engagements by clients. After the conclusion of our representation of you on any particular matter, we may destroy any records as we believe is appropriate. If you and we agree that we will retain records for a particular period, that agreement will supersede this general rule. If we are required by applicable law to retain records for a particular period, the applicable law will supersede this general rule.

### **DISPUTE RESOLUTION PROCEDURES**

If any dispute arises out of or relates to this letter, our relationship, or the services performed (including disputes regarding attorneys' fees or costs and those alleging negligence, breach of fiduciary duty, fraud or claim based upon a statute), the dispute shall be resolved by submission to arbitration in San Francisco County, California, before a retired judge or justice. If we are unable to agree on a retired judge or justice, each side will name one retired judge or justice, and the named persons will select a neutral judge or justice to act as the sole arbitrator.

Your agreement to arbitrate disputes is not a condition of our representation, and if you do not wish to agree to arbitrate, you should advise us before signing this letter, and we will delete this section of the letter. In addition, you are free to discuss the advisability of arbitration with us or your independent counsel or any of your other advisers and to ask any questions that you have.

In connection with any dispute involving legal fees or expenses, neither we nor you will seek relief from any court except to enforce the arbitration award. If for any reason this arbitration procedure is unavailable, then we and you agree that any litigation will be commenced only in the United States District Court for the Northern District of California (or, if that court has no jurisdiction over the matter, in the Superior Court of San Francisco County, California) and you consent to the exclusive jurisdiction of that court.

### **ERRORS AND OMISSIONS INSURANCE**

The California Business & Professions Code requires us to inform you that we maintain errors and omissions insurance coverage applicable to the services to be rendered to you.

### **YOUR ADDITIONAL DUTIES**

You agree to be truthful with us, to keep us informed of developments in your matter, to abide by this letter and to keep us informed as to your addresses, telephone numbers and whereabouts. You agree to appear, at our request, for all depositions, court appearances and meetings, and to generally cooperate fully with us in all matters related to the preparation and presentation of your claims and defenses.

**CONFIDENTIALITY OF INTERNAL FIRM COMMUNICATIONS**

We designate certain Firm attorneys to represent us in connection with legal matters affecting the Firm that arise from time to time, such as claims brought against the Firm by clients or others, collection actions brought by the Firm against clients and others, and various other legal matters. The discussions about Firm legal matters between these designated attorneys and other Firm personnel are intended to constitute confidential and privileged communications to which others, including Firm clients, are not privy. You acknowledge this and agree that you will not seek the disclosure of any such communications.

**GOVERNING LAW**

The provisions in this letter will be governed by the laws of the State of California.

**CONDITION TO REPRESENTATION**

Our agreement to represent you is subject to the approval of the Firm's Financial Management Committee. If for any reason the representation is not approved, we will inform you promptly. If the representation is not approved and if, at the time of such disapproval, we have commenced working on your matter, our representation will be deemed to be terminated and we will not charge you for any legal fees for our work on the matter.