



1999 Harrison Street, 9th Floor
Oakland, California 94612
tel (510) 808-2000
fax (510) 444-1108
www.meyersnave.com

Steven T. Mattas
Senior Principal
smattas@meyersnave.com

April 26, 2021

Via Electronic Mail

PERSONAL & CONFIDENTIAL

Neysa Fligor, NCLA President
Marci Scott, NCLA Liaison
1 N. San Antonio Road
Los Altos, CA 94022

Re: Engagement of Legal Services

Dear President Fligor and Ms. Scott:

Thank you for retaining Meyers Nave, PLC (“Meyers Nave”) to perform legal services in connection with general counsel services for the North County Library Authority (“Client” or “NCLA”). We appreciate the opportunity to serve as your lawyers and look forward to working with you.

This letter sets forth our agreement concerning the legal services we will provide and our fee arrangements for those services (“Letter” or “Agreement”). Please read this entire Agreement before signing and returning it to us.

- 1. Scope of Engagement.** We will provide the legal services reasonably required to represent and advise NCLA on all general counsel legal services, tax and bond measures and litigation services as necessary. We will also provide legal services for additional matters upon request of NCLA, provided we agree to perform that additional work. A letter confirming such additional work shall bring such work within the scope of this Agreement.
- 2. Fees and Personnel.** As compensation for our services, our fees will be based on our current standard public agency billing rate for the personnel performing services under this Agreement at the time such services are rendered. Our standard public agency billing rates for attorneys and paralegals are attached as Attachment 1.

I will be the Principal in charge of representing your interests. I will be assisted by Claire Lai. If other attorneys and/or paralegals are assigned to work on your matter, then the current hourly rates of those individuals will be utilized. This Agreement retains the legal

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services of our law firm and not of a particular attorney. Hourly rates are subject to reasonable change on July 1st of each year commencing in 2022.

3. Retainer. As discussed, the Firm will not require a retainer to commence services related to this matter. However, the Firm reserves the right to require a retainer in the future if it determines that circumstances warrant.

4. Disbursements and Expenses. In addition to hourly fees, we may incur out-of-pocket expenses related to your representation. Our Statement of Fee and Billing Information, which sets forth the details of our disbursement and expense policy, is attached as Attachment 2.

5. Billing and Payment Responsibilities. We will send monthly statements which are due within 30 days of receipt. If you have any questions about an invoice, please promptly telephone or write me so that we may discuss these matters. Our Statement of Fee and Billing Information sets forth the details of our fee and billing policy.

6. Termination of Services. NCLA may terminate our services at any time by written notice. After receiving such notice, we will cease providing services. We will cooperate with NCLA in the orderly transfer of all related files and records to your new counsel.

We may terminate our services at any time with your consent or for good cause. Good cause exists if (a) any statement is not paid within 60 days of its date; (b) NCLA fails to meet any other obligation under this Agreement and continues in that failure for 15 days after we send written notice to NCLA; (c) NCLA has misrepresented or failed to disclose material facts to us, refused to cooperate with us, refused to follow our advice on a material matter, or otherwise made our representation unreasonably difficult; or (d) any other circumstance exists in which ethical rules of the legal profession mandate or permit termination, including situations where a conflict of interest arises. If we terminate our services, NCLA agrees to cooperate in effecting that termination.

Termination of our services, whether by NCLA or by us, will not relieve the obligation to pay for services rendered and costs incurred before our services formally ceased.

7. Insurance. During the term of this engagement, this law firm shall take out and maintain general liability and property damage insurance in amounts not less than \$1,000,000; professional errors and omissions insurance, in amounts not less than \$2,000,000 per occurrence; and \$4,000,000 aggregate, which insurance may not be canceled or reduced in required limits of liability unless at least ten days advance written notice be given to NCLA.

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8. No Guarantee of Outcome. Any comments made by us about the potential outcome of this matter are expressions of opinion only and are not guarantees or promises about any outcome or results.

9. Dispute Resolution. In the event NCLA becomes dissatisfied with any aspect of our relationship, we encourage NCLA to bring such concerns to our attention immediately. If we are unable to resolve any dispute, either arising out of or in connection with this Agreement or relating to the services performed by our firm or any of its attorneys, to our mutual satisfaction, our firm will first comply with any legally mandatory dispute resolution procedures that may apply to any such dispute.

If we are unable to resolve any dispute, and after mandatory dispute resolution procedures have been waived or exhausted, the parties may agree to submit such dispute to final and binding arbitration in Santa Clara County, California before the American Arbitration Association, pursuant to its then prevailing rules, unless the parties agree in writing to a different arbitration method or forum.

By signing this Agreement, NCLA acknowledges and agrees that NCLA has read and understands this arbitration provision. NCLA understands that if it agrees to arbitration, each party gives up the right to present their claims or defenses for trial by a judge or jury, and the right to an appeal. The initial resort to the courts by either party shall not be considered a waiver of that party's right to compel binding arbitration under this provision.

10. Document Retention. In the course of the Firm's representation of North County Library Authority, NCLA may provide us with and we may obtain documents that are relevant to the representation. Some of those documents may be important to NCLA and so that there is no confusion we find that it is useful at the inception of the representation for us to communicate our Document Retention Policy. Meyers Nave is committed to using less paper and eliminating unnecessary copies of documents. Documents of Record can be either hard copies or digital, regardless of the form they took originally when created or received by the Firm. Whenever it is proper and practicable, the Firm prefers Documents of Record (official version) to be in a digital format. Further, if record is stored electronically, then paper copies may be deemed duplicative and may be purged. This helps us manage information, helps the environment and helps us control costs. The materials pertaining to this matter belong to you and you may access them or have duplicates provided to you at any time during your representation with the exception of certain Meyers Nave Firm and accounting information. At the conclusion of this matter, no further representation will be provided and we recommend that you make arrangements to retrieve all original documents.

It is the Firm's general policy that we maintain records for a period of seven (7) years after conclusion of the matter, although due to certain practical considerations that is not always possible. Additionally, while we take steps to ensure that all records are held in strict

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confidence and maintained in a secure location, we cannot guarantee that something beyond our control will not occur resulting in damage to client records.

Thus, if in the course of our representation NCLA provides us with original documents that NCLA considers important or desire to keep, we recommend that, first, NCLA inform us in writing that the documents are important. And second, we ask that NCLA take immediate possession of such documents upon the conclusion of our representation. If we do not hear from NCLA, we will generally retain only the documents and materials pertaining to this matter which we designate as vital for a period of seven (7) years. After which such documents will be destroyed unless, before that time, NCLA notifies us in writing that NCLA wish to take possession of them.

11. Entire Agreement; Full Understanding; Modifications in Writing. This Letter contains our entire agreement about our representation. Any modifications or additions to this letter Agreement must be made in writing and signed by both Parties.

12. Joint Representation. Our firm maintains of counsel agreements with certain legal specialists. Because these individuals are deemed independent contractors under the applicable provisions of the tax laws and not employees of our firm, it is necessary that NCLA consent to dual representation by our firm and the specialist in the event the matter which you have engaged us to handle requires the use of that specialist. This arrangement has no effect whatsoever on the cost of your legal services, rather it is an ethical requirement that we disclose this fact and that NCLA consents. NCLA is consenting by signing this Letter.

13. Conflicts. Our firm represents many public agencies in California, Nevada and Arizona. Since 1986, we have represented over seven hundred public clients, including numerous cities, redevelopment agencies, special districts, counties and other public entities, and we are accepting new engagements all the time. It is virtually inevitable that we will work on projects from other clients having different governmental or political objectives, beliefs or views from North County Library Authority. We also serve as City Attorney for Los Altos Hills and special counsel to Los Altos, both members of the NCLA Joint Powers Agreement.

In view of the fact that North County Library Authority is a Public Entity, this letter confirms that the services which we are rendering to you are limited in scope and for the benefit of North County Library Authority only. Meyers Nave performs a variety of professional services for its clients, including serving as City Attorney for Los Altos Hills and special counsel to Los Altos and Santa Clara County (in areas unrelated to library services) and it is possible that we will represent public agency clients which are adverse to NCLA on other matters. To avoid potential problems, NCLA agrees that NCLA expressly waives any actual or potential conflicts that might arise from representation of Los Altos, Santa Clara County and Los Altos Hills, including our service as City Attorney for Los Altos Hills, and that

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NCLA will not attempt to disqualify Meyers Nave on such matters, and that our firm is free to represent Los Altos, Santa Clara County and Los Altos Hills on such matters.

By signing this letter and returning it to us, you acknowledge that we have discussed these matters and you confirm that North County Library Authority does not object to our representation of clients on matters where their governmental or political objectives and/or positions may be different from or adverse to those of North County Library Authority, and that North County Library Authority waives any conflict of interests with respect to our representation of such clients with differing governmental or political interests. You further confirm that North County Library Authority will not assert any conflict of interest concerning such representation or attempt to disqualify this firm from representing such clients notwithstanding such adversity. While you would certainly be free to terminate our relationship, you agree that this firm nonetheless would be free to represent such clients even on those matters which you consider adverse to the governmental or political objectives of NCLA, and that you waive any conflict of interest in connection therewith.

Needless to say, these acknowledgments do not permit our firm to represent another client, except Los Altos Hills assuming appropriate ethical separations are in place, in opposing the specific project for which you engage us without your specific written consent.

14. Confidentiality and Privileged Communication

Communication between the NCLA and Meyers Nave shall be confidential and protected by the Attorney-Client Privilege as provided and defined under applicable laws. Both Parties agree to use best efforts to label all communications with “Confidential”. Failure to do so, however, will not diminish or eliminate the confidentiality of the communication.

15. Governing Law

This Agreement will be governed by and interpreted in accordance with the laws of the State of California without regard to principles of conflicts of laws, including but not limited to any requirements or interpretation related to confidentiality. Venue shall be in the County of Santa Clara.

16. Notices

Any notice under this Agreement may be delivered by hand, overnight courier, first class prepaid letter or electronic mail transmission, unless otherwise required by law. All notices should be marked Confidential and provided to the following individuals at the following address or at such other address as provided by the respective Party in writing:

NCLA:

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Meyers Nave: Meyers Nave
 1999 Harrison Street, 9th Floor
 Oakland, CA 94612

17. Indemnification

Meyers Nave agrees to indemnify NCLA, its officers and agents against and will hold and save each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities that may be asserted or claimed by any person, firm or entity arising out of or in connection with the work, operations or activities of Meyers Nave, its agents, employees, subcontractors or invitees, provided for herein or arising from the acts of omissions of Meyers Nave hereunder, or arising from Meyers Nave's performance of or failure to perform any term, provision, covenant, or condition of these terms in this Letter, except to the extent such claims or liabilities arise from the negligence or willful misconduct of the NCLA, its officers or agents.

18. Waiver

A Party's failure to exercise or delay in exercising any of its rights under this Agreement will not constitute a waiver, forfeiture or modification of such rights. A Party's waiver of any right under this Agreement will not constitute a waiver of any right under this Agreement. Any waiver must be in writing and signed by the waiving Party.

19. Severability

If any provision of this Agreement is held invalid or unenforceable by a body of competent jurisdiction, such provision will be construed limited or, if necessary, severed only to the extent necessary to eliminate such invalidity or unenforceability.

You may wish, and we encourage you, to consult legal counsel regarding the effect of this conflict waiver.

We would request that NCLA review this Letter carefully and, if it is consistent with your understanding of our respective responsibilities, please so indicate by returning a signed copy of this Letter to me at your earliest convenience. Enclosed is an additional copy of this Letter which you should retain for your records. Again, we thank you for allowing us the opportunity to serve as your lawyers.

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Sincerely,

A handwritten signature in blue ink, appearing to read "Steve T. Mattas", with a long horizontal flourish extending to the right.

Steve T. Mattas
Senior Principal

c: Conflicts Department
Billing Department

These terms are accepted and agreed to as of the date of this Letter.

North County Library Authority

By: _____
Neysa Fligor, President

3742763.1

ATTACHMENT 1

**MEYERS NAVE
RATE SHEET**

Sr. Principal	\$455
Principal	\$435
Of Counsel	\$350
Associate	\$300
Paralegal	\$200

These rates are subject to an annual increase on July 1, 2022 and annually on July 1st thereafter in an amount that is the greater of 3% or the change in the San Francisco Bay Area CPI over the prior 12 month period (calculated from June 1st through May 31st).

ATTACHMENT 2

MEYERS NAVE STATEMENT OF FEE AND BILLING INFORMATION

The following is a general description of our fee and billing policies. These general policies may be modified by the specific engagement letter or agreement to which this summary is attached.

Professional Fees. Our fees for professional services are based on the fair value of the services rendered. To help us determine the value of our services, our attorneys and paralegals maintain time records for each client and matter. Our attorneys and paralegals are assigned hourly rates which are based on years of experience, specialization, training and level of professional attainment. We adjust our rates periodically (usually at the beginning of each year) to take into account inflation and the increased experience of our professional personnel.

To keep professional fees at a minimum, legal work that does not require more experienced attorneys will be performed, where feasible, by attorneys with lower billing rates. Of course, the quality of the work is paramount, and we do not sacrifice quality to economy.

Before undertaking a particular assignment, we will, if requested, provide you with a fee estimate to the extent possible. Estimates are not possible for some matters, however, and cannot be relied on in many others because the scope of our work will not be clear at the outset. When a fee estimate is given, it is only an estimate; it is not a maximum or minimum fee quotation. The actual fee may be more or less than the quoted estimate.

Retainer. Our normal practice is to require a retainer to cover a portion of the anticipated attorneys' fees and costs. Any retainer will be placed in the firm's trust account. At the conclusion of our services, we will return to our client any unapplied retainer, after deducting payment for charges billed or to-be-billed for services and any remaining out-of-pocket expenses.

Billing And Payment Procedures. Unless other arrangements are made at the time of the engagement, invoices will be sent monthly. Invoices for outside services exceeding \$100 may be billed separately. Occasionally, however, we may defer billing for a given month or months if the accrued fees and costs do not warrant current billing or if other circumstances would make it appropriate to defer billing.

Our invoices contain a brief narrative description of the work performed; if requested, the initials of the attorney who performed the work will appear on the statement. The invoice will include a line item reflecting in-house administrative costs. The firm's in-house administrative costs include, but are not limited to, duplicating, facsimile charges, telephone charges, E-mail, postage, mileage and other administrative expenses. We have determined that the most effective method of accounting for these administrative costs is to charge a flat 5% of the professional fees incurred.

The firm will be reimbursed for all outside services incurred in the course of providing legal services to our client(s). Outside services will include, but are not limited to, all third-party expenses, delivery charges, travel expenses, outside research services, filing fees, expert witness and expert consultant fees. To defray the firm's costs for administering these services, there will be an additional cost advance charge of 2% for all outside services of \$100 or more.

If you have any questions regarding an invoice, the Finance Director or Executive Director is available to answer your questions. For any unresolved matters, the Bar Association has an arbitration mechanism that can be used to resolve such matters.

Late Payments. Statements for services are payable upon presentation and, in all events, within thirty (30) days after receipt. Occasionally a client has difficulty in making timely payments. To avoid burdening those clients who pay their statements promptly with the added costs we incur as a result of late payments, a late charge will be assessed on statements not paid within thirty (30) days. The maximum monthly late payment charge will be 1.5% per month. In the unlikely event we are required to institute legal proceedings to collect fees and costs, the prevailing party will be entitled to reasonable attorneys' fees and other costs of collection.