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OUR FILE NUMBER:

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April 19, 2011

*VIA E-MAIL
AND FIRST CLASS MAIL*



Kevin Smith
General Manager
Truckee Tahoe Airport District
10356 Truckee Tahoe Airport Rd.
Truckee, CA 96161

Re: Attorney Representation Agreement

Dear Kevin:

As we discussed, it would be my pleasure to assist the District with labor and employment law advice and counsel on an as-needed basis. Attached is our Firm's standard public sector Attorney Representation Agreement. If you would like to retain us, please sign the Agreement and send me a copy. We need to receive a signed agreement in order for us to provide substantive legal advice on any pending matter.

If you have any questions, please don't hesitate to contact me.

Sincerely,

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

A handwritten signature in blue ink, appearing to read "Kevin R. Dale".

Kevin R. Dale

KRD/mf

ATTORNEY REPRESENTATION AGREEMENT

I. PARTIES

This Attorney Representation Agreement ("Agreement") is entered into by and between the law firm of ATKINSON, ANDELSON, LOYA, RUUD & ROMO, a professional corporation, hereinafter referred to as "Attorney" or the "Law Firm" and the TRUCKEE TAHOE AIRPORT DISTRICT, hereinafter referred to as the "District."

II. PURPOSE

The District desires to retain and engage Law Firm to provide legal advice and to perform legal services on District's behalf, and Law Firm accepts this engagement on the terms and conditions contained in this Agreement.

III. TERMS AND CONDITIONS

A. Fees for Services

1. Hourly Rate Services

The District agrees to pay the Law Firm at the following standard hourly rates: \$250/hour for Partners and Senior Counsel, \$225/hour for Senior Associates (5+ years of experience), \$215/hour for Associates (less than 5 years of experience), and \$115/hour for services performed by Paralegals.

2. Alternate Fee Arrangements

The Law Firm and the District may mutually agree in writing to a fee arrangement for engagement on a particular matter which differs from the fee structure set forth in paragraph A.1, above. An example of a possible alternate fee arrangement includes, but is not limited to, a flat fee for training workshops.

3. Costs and Expenses

The Law Firm shall not be obligated to advance costs on behalf of the District; however, for purposes of convenience and in order to expedite matters, the Law Firm reserves the right to advance costs on behalf of the District with the prior approval of the District in the event a particular cost item exceeds \$2,000.00 in amount, and without the prior approval of the District in the event a particular cost item totals \$2,000.00 or less. Typical cost items include, by way of example and not limitation, filing fees, copying charges, appearance fees, messenger fees, travel costs, bonds, witness fees, expert fees, consultant fees, deposition and court reporter fees, transcript costs, expert witness fees, investigative fees, etc. Automotive travel mileage fees will be charged to the District at the prevailing IRS reimbursement rates.

B. Billing Practices

1. A detailed description of the work performed and the costs and expenses advanced by the Law Firm will be prepared on a monthly basis as of the last day of the month and will be mailed to the District on or about the 15th of the following month, unless other arrangements are made. Payment of the full amount due, as reflected on the monthly statement, will be due to the Law Firm from the District by the 10th of the month following delivery of the statement, unless other arrangements are made. Any balance of fees or costs advanced remaining unpaid for a period of 30 days will be subject to a 1% per month service charge.

2. Hourly rate services shall be charged to the District at a minimum increment of one-tenth hour. When time spent by Attorney on a particular service exceeds one-tenth hour, the charge will be rounded up to the next one-tenth hour increment.

3. Law Firm may charge the full hourly rate to more than one client for the same time period. Examples include, but are not limited to: (a) Law Firm charges District for telephone advice rendered while Attorney is traveling in connection with a matter for another client, (b) Law Firm charges District for written email advice provided while Attorney is performing labor negotiation services for another client, rendered during a break in those negotiations, etc.

4. The District agrees to review the Law Firm's monthly statements promptly upon receipt and to notify the Law Firm, in writing, with respect to any disagreement with the monthly statement. Failure to communicate written disagreement with the Law Firm's monthly statement within thirty (30) days of the District's receipt thereof shall be deemed to signify the District's agreement that the monthly billing statement accurately reflects the legal services performed; and the proper charge for those legal services.

C. Termination of Representation

The Law Firm reserves the right to discontinue the performance of legal services on behalf of the District on a particular matter upon the occurrence of any one or more of the following events:

1. Upon order of a court of law requiring the Law Firm to discontinue the performance of legal services;

2. Upon a determination by the Law Firm in the exercise of its reasonable and sole discretion, that state or federal legal ethical principles require it to discontinue the performance of legal services;

3. Upon failure to pay the Law Firm's bill when due; or

4. Upon failure to cooperate with Law Firm as described in paragraph D.

In the event that the Law Firm ceases to perform legal services for the District, the District agrees that it will promptly pay to the Law Firm any and all unpaid fees and costs advanced. Further, the District agrees that, with respect to any litigation where the Law Firm has

made an appearance in a court of law on its behalf, the District will promptly execute an appropriate Substitution of Attorney form. Any termination of Law Firm's representation on such a matter may be subject to approval by the applicable court of law.

The District has the right, at any time, and either with or without good cause, to discharge the Law Firm as its attorneys. In the event of such a discharge of the Law Firm by the District, however, any and all unpaid attorneys' fees and costs owing to the Firm by the District shall be immediately due and payable.

D. Client Cooperation.

The District understands and agrees that, in order for the Law Firm to represent the District effectively, it is necessary for the District to assist and cooperate with the Law Firm during this engagement. The District agrees to (1) make its employees and officials available to discuss issues as they arise; (2) attend and participate in meetings, preparation sessions and court proceedings, review drafts of documents, and perform other activities in connection with the representation; and (3) provide complete and accurate information and documents to us on a timely basis. Non-cooperation will be grounds for the Law Firm's withdrawal from representing the District on a particular matter. It is essential that the District and the Law Firm maintain open communications.

E. Protection of Client Confidences – High Tech Communication Devices.

The Law Firm is aware of its important obligation to preserve the secrets and confidences of its clients which it holds in precious trust for them. To that end it is important that the District and the Law Firm agree from the outset what kinds of communications technology the Law Firm should employ in the course of representing the District. For example, the exchange of documents and other information using email or other types of electronic communications involves some risk that information will be retrieved by third parties with no right to see it. Even the use of facsimile machines can cause problems if documents are sent to numbers where the documents sit in open view.

Therefore, the District should only provide the Law Firm with cellular numbers, facsimile numbers and email addresses which are acceptable to the District for receiving confidential communications from the Law Firm. The District agrees that the Law Firm may use any of the cellular numbers, facsimile numbers and email addresses other than those which you specify in writing that the Law Firm should not use. The District may use the Technology Questionnaire form attached as Exhibit A for this purpose.

F. Miscellaneous

1. The Law Firm maintains errors and omissions insurance coverage applicable to the services to be rendered.

2. The parties agree that the Law Firm, while engaged in carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and is not an employee of the District.

3. This Agreement represents the entire agreement between the District and the Law Firm unless a particular matter is covered by a separate written agreement (for example, an agreement for an alternate fee arrangement as described in paragraph A.2). By execution of this Agreement the District certifies that it has carefully reviewed and understands the contents of this Agreement and agrees to be bound by all of its terms and conditions. Furthermore, the District acknowledges that the Law Firm has made no representations or guarantees regarding the outcome, or the time necessary to complete or resolve a particular matter. No change or waiver of any of the provisions of this Agreement will be binding on either the District or the Law Firm unless the change is in writing and signed by both the District and the Law Firm.

4. After a file on a matter is closed, the District has a right to request the Law Firm to return the file to the District. Absent such a request, the Law Firm shall retain the file on the District's behalf for a period of five (5) years. Following this period of time, the Law Firm will destroy such files.

IV. DURATION

The attorney-client relationship between the Firm and the District will cease at the conclusion of the matter(s) specified above. If the Firm is not asked by the District to provide advice for a period of one (1) year from the last date the Firm provided such advice, both the District and the Firm agree that the attorney-client relationship terminated on the last date the Firm provided advice without further action or notice by either party. If the District requires additional legal services after such termination, a new Attorney Representation Agreement will be required.

“Law Firm”

ATKINSON, ANDELSON, LOYA, RUUD &
ROMO

Dated: _____

By: _____
Kevin R. Dale

“District”

TAHOE TRUCKEE AIRPORT DISTRICT

Dated: _____

By: _____
Kevin Smith
General Manager

EXHIBIT A

TECHNOLOGY QUESTIONNAIRE

Please understand that by agreeing to the use of any means of communication other than in-person private meetings or two-way (as opposed to multiparty) land line telephone conversations, you will be giving your consent to, and accepting any risks of disclosure of, confidential information to third parties that may be attendant upon the use of those means of communication.

The Law Firm **May Use** the following cellular phones, facsimile numbers and email addresses for the purposes of transmitting confidential information:

Cellular telephone number(s): _____
Facsimile number(s) _____
Email Address(es): _____

The Law Firm **Should Not Use** the following cellular phones, facsimile numbers and email addresses for the purposes of transmitting confidential information. Note that if you use an email address when communicating with us, you consent to our use of that number to reply to you even if you have indicated below that we should not use that email address.

Cellular telephone number(s): _____
Facsimile number(s) _____
Email Address(es): _____

Are there other communications and confidentiality issues which we should be aware of in connection with this engagement? Yes[] No[] If yes is checked, please explain:

Dated: _____ Signature _____
Client Name _____ Name of Signer _____