

ORDINANCE 2019-108

AN ORDINANCE TO AUTHORIZE THE EXECUTION OF A LETTER OF ENGAGEMENT WITH KLEIN, THORPE, & JENKINS LTD. TO SERVE AS CORPORATE COUNSEL FOR THE VILLAGE OF VERNON HILLS

WHEREAS, Klein, Thorpe & Jenkins, Ltd, has been appointed to serve as Corporate Counsel for the Village of Vernon Hills;

WHEREAS, Klein, Thorpe & Jenkins, Ltd. and the Village of Vernon Hills have mutually negotiated and agreed upon the terms of Letter of Engagement; and

WHEREAS, the Letter of Engagement is attached hereto as Exhibit A

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS, AS FOLLOWS:

SECTION I. That the Village President is authorized to execute and the Village Clerk is hereby authorized to attest to the Letter of Engagement entitled, "Engagement Letter" with Klein, Thorpe & Jenkins, Ltd., said agreement being attached hereto as Exhibit A.

SECTION II. EFFECTIVE DATE. That this Ordinance shall be in full force and effect upon its passage and approval of the corporate authorities of the Village.

SECTION III. ORDINANCE NUMBER. This Ordinance shall be known as Ordinance 2019-108.

Dated this 2nd day of July, 2019

Adopted by roll call votes as follows:

AYES: 6 – Oppenheim, Takaoka, Schultz, Marquardt, Koch, Brown

NAYS: 1 - Byrne

ABSENT AND NOT VOTING: 0 – None



Roger L. Byrne, Village President



PASSED: 07/02/2019
APPROVED: 07/02/2019
ATTEST: 07/02/2019



Mark Fleischhauer, Village Clerk



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June 27, 2019

Village President Roger Byrne
Village of Vernon Hills
290 Evergreen Drive
Vernon Hills, IL 60061

RE: Engagement of Klein, Thorpe & Jenkins, Ltd.

Dear President Byrne:

Klein, Thorpe & Jenkins, Ltd. ("KTJ") is pleased to provide this engagement letter relative to the firm's role as Village Attorney. I will serve as the lead attorney for the Village, and I will be fully supported by the team of governmental attorneys at KTJ. Legal services to the Village of Vernon Hills will be provided in accordance with the fee schedule provided below. The fee schedule includes the legal fees as set forth in our July 31, 2018 response to the Village's Request for Qualifications and will remain in effect through at least June 30, 2020. Any increase in fees will be brought to the attention of the Village Board.

(I.) TERM OF ENGAGEMENT

The Village is engaging KTJ for an initial period of one year commencing July 2, 2019 and automatically renewing for an initial term through May, 2021, unless earlier terminated by either party.

(II.) RETAINER SERVICES

We will perform the services listed below based on a retainer of \$ 6,000 per month:

Work included in retainer:

1. Attendance at the regular Village Board and Committee of the Whole meetings; and
2. Attendance at office hours at Village Hall once per week for four (4) hours ; and
3. Providing general legal advice and communication with Village staff and officials by telephone or email on routine matters that do not require extensive legal research.

(III.) NON-RETAINER SERVICES

All other work will be billed outside of the retainer at the hourly and scheduled rates listed below.

Work not included in retainer:

1. Annexations;
2. Bond Issues;
3. Litigation;
4. Research and preparation of legislation, including ordinances and resolutions;
5. Prosecution to the extent such services are requested;
6. Any work reimbursable by a third party;
7. Real estate transactions;
8. Special Service Area and Special Assessment related services;
9. Redevelopment work, including TIF related work;
10. Labor negotiations and employment work;
11. Zoning and land use work;
12. All Commission and Committee work;
13. All telephone calls not covered by the retainer which will be billed at a minimum of .3 hours and .1 hours after;
14. All emails not covered by the retainer;
15. Review and preparation of agreements to which the Village is a party;
16. Out of pocket expenses; and
17. Any work not expressly covered under the retainer.

RATES FOR NON-RETAINER SERVICES

A. GENERAL LEGAL SERVICES:

\$210.00 per hour for partner's time
\$205.00 per hour for senior associate's time (4 full yrs. in practice)
\$200.00 per hour for associate's time
\$165.00 per hour for senior paralegal's time (4 full yrs. in practice)
\$155.00 per hour for paralegal's time
\$125.00 per hour for law clerk's time

B. LITIGATION AND APPEALS :

\$235.00 per hour for partner's time
\$225.00 per hour for senior associate's time
\$220.00 per hour for associate's time

C. COLLECTIVE BARGAINING SERVICES :

\$250.00 per hour for partner's time
\$225.00 per hour for senior associate's time
\$215.00 per hour for associate's time

D. SPECIAL PROJECT WORK-Reimbursable (e.g., work in relation to which the fee is reimbursable to the Village from a third party such as land use or development work):

\$325.00 per hour for partner's time
\$250.00 per hour for senior associate's time
\$240.00 per hour for associate's time

E. DEBT ISSUANCE WORK:

To be negotiated based on the complexity of the financing and whether an opinion is required relative to the debt issuance, but not less than the greater of twenty hundredths of a percent (0.25%) of the amount of the debt issue or \$1,500.00.

F. SPECIAL ASSESSMENTS:

Four percent (4%) of the estimated cost of construction plus property acquisition costs; which is built into the special assessment project costs.

G. SPECIAL SERVICE AREAS:

Two percent (2%) of the estimated cost of construction or the general services hourly rate fee, whichever is greater; which is built into the special service area project costs.

H. PROSECUTION SERVICES:

All prosecution services, to the extent requested, will be billed on an hourly basis in accordance with the Litigation Fee Schedule.

I. MISCELLANEOUS EXPENSES:

Miscellaneous expenses incurred are billed as follows:

Copying -	\$0.20 per page
Printing -	actual cost
Delivery -	actual cost
Filing fees -	actual cost
Mileage -	not charged
Computer research -	actual cost

Secretarial - not charged
Facsimile - not charged
Travel time - not charged for travel within Cook
and Lake Counties

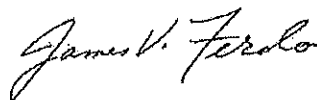
The Village will be billed for all time spent on legal matters in tenths (.1) of an hour increments. We will forward billing statements monthly. I have attached KTJ's standard "Terms of Engagement" as **Exhibit A**. The monthly statements will contain a description of our professional services segregated by matter, including the date, the person rendering the service, the amount of time involved and a description of the task accomplished. Monthly statements will also itemize the monies we have advanced and costs we have incurred on behalf of the Village, if any. We ask that Village staff review each statement promptly when tendered, and bring any questions to my attention as soon as possible thereafter.

If the terms described above and in the attached Terms of Engagement are satisfactory, please so indicate, after Board approval, by signing and dating below. Please return one executed copy of this Engagement Letter to me by electronic mail.

Thank you for selecting Klein, Thorpe & Jenkins, Ltd. to perform legal services for the Village. I am personally honored to take on this representation. I look forward to a productive working relationship with the Village officials and the Village staff.

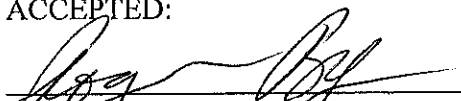
If there are any questions regarding this Engagement Letter, please feel free to contact me.

Respectfully,
KLEIN, THORPE & JENKINS, LTD.



James V. Ferolo

ACCEPTED:


Village President Roger Byrne

Dated: July 2, 2019

EXHIBIT "A"

KLEIN, THORPE & JENKINS, LTD.

TERMS OF ENGAGEMENT

Confidentiality and Related Matters

Regarding the ethics of our profession that will govern our representation, several points deserve emphasis. As a matter of professional responsibility, we are required to hold confidential all information relating to the representation of our clients, subject to certain exceptions. This professional obligation and the legal privilege for attorney-client communications exist to encourage candid and complete communication between a client and his lawyer. We can perform truly beneficial services for a client only if we are aware of all information that might be relevant to our representation. Consequently, we trust that our attorney-client relationship with the Village will be based on mutual confidence and unrestrained communication that will facilitate our proper representation of the Village.

Legal Fees

Fees will be charged as indicated in the fee schedule. Annually, the firm reviews the legal fees charged to our clients and has historically implemented a modest increase. Any modification to fees will be brought to the Village Board for approval.

Disbursements

In addition to legal fees, our statements will include out-of-pocket expenses that we have advanced on the Village's behalf. Advanced expenses generally will include, but are not limited to, such items as travel, postage, filing, recording, and certification and registration fees charged by governmental bodies. Our out-of-pocket expenses typically include, but are not limited to, such items as overnight courier services, charges for computer research and complex document production, and charges for photocopying materials sent to the client or third parties or required for our use.

We may request an advance cost deposit when we expect that we will be required to incur substantial costs on behalf of the client. Otherwise, KTJ requires that the client directly pay any invoice issued by a third party vendor or consultant that exceeds \$250.00.

Billing

We bill for our services and costs on a monthly basis. Our statements are due when rendered except as otherwise agreed to. Our statements contain a concise summary of each matter for which legal services are rendered and the corresponding fee(s) and costs that are charged. If a statement remains unpaid for more than thirty (30) calendar days past its agreed upon due date, the Village will be contacted by a KTJ representative inquiring why it is unpaid. Additionally, if a statement has not been paid within thirty (30) calendar days from its date, KTJ may impose an interest charge consistent with the

Local Government Prompt Payment Act, as amended. Interest charges apply to specific monthly statements on an individual statement basis. Any payments made on past due statements are applied first to the oldest outstanding statement.

Questions About Bills

We invite the Village staff to discuss freely with us any questions that they have concerning a fee charged for any matter. We want our clients to be satisfied with both the quality of our services and the reasonableness of the fees that we charge for those services. We will attempt to provide as much billing information as the Village requires and in such customary form that the staff desires, and are willing to discuss with staff any of the various billing formats we have available that best suits the Village's needs.

Relationships with Other Clients

Because we are a full-service law firm, we may be (and at times are) asked to represent a client with respect to interests that are potentially adverse to those of another client who is represented by KTJ in connection with another matter. Just as the Village would not wish to be prevented in an appropriate situation from retaining a law firm that competes with KTJ, our firm wishes to be able to consider the representation of other entities who may have interests that are potentially adverse to the Village's interests, but with respect to matters that are unrelated in any way to our representation of the Village. The ethics that govern us permit us to accept such multiple representations, assuming certain conditions are met, as set forth below.

During the term of this engagement, we will not accept representation of another client to pursue interests that are directly adverse or potentially adverse to the Village's interests unless and until we make full disclosure to the Village of all the relevant facts, circumstances and implications of our undertaking the two representations, and confirm to the Village in good faith that we have done so and that the following criteria are met: (i) there is no substantial relationship between any matter in which we are representing or have represented the Village and the matter for the other client; (ii) any confidential information that we have received from the Village will not be available to the lawyers and other KTJ personnel involved in the representation of the other client; (iii) our effective representation of the Village and the discharge of our professional responsibilities to the Village will not be prejudiced by our representation of the other client; and (iv) the other client and the Village have consented in writing based on our full disclosure of the relevant facts, circumstances and implications of our undertaking the two representations. If the foregoing conditions are satisfied, we may undertake the representation and all conflict issues will be deemed to have been resolved or waived by the Village.

Term

The term of this engagement shall be for one year or until June 30, 2020, or upon earlier termination of our relationship by either party upon thirty days written notice. The engagement will be automatically extended in one year increments not to exceed the term of the Village President, unless the Village provides notice to KTJ of its election not to renew the term, at least sixty (60) days before the end of the then current term. As stated,

the representation is terminable at-will by either party. The termination of the representation will not terminate the Village's obligation to pay fees and costs of completed services incurred prior to the termination and for any services rendered or disbursements required to implement the transition to new counsel.