

LIMITED ENGAGEMENT RETAINER AGREEMENT

The City of Piedmont ("City") and Craigie, McCarthy & Clow, LLP ("Limited Engagement Outside Counsel") enter into this Limited Engagement Retainer Agreement ("Agreement") as of this 25 day of July, 2011 for the sole purpose of assisting the City in review and preparation of environmental documents under the California Environmental Quality Act ("CEQA").

RECITALS

A. The City of Piedmont ("City") is considering the development of recreational fields at Blair Park and improvements to Coaches Field on publicly-owned property along Moraga Avenue in Piedmont, California (the "Project").

B. The Piedmont Recreation Facility Organization ("PRFO"), a non-profit organization that supports youth recreational activities within the City of Piedmont, has created an entity, the Blair Park LLC, whose sole purpose is to fund the costs of developing and constructing the Project.

C. Limited Engagement Outside Counsel has represented and continues to represent PRFO and Blair Park LLC in connection with the Project.

D. On December 6, 2010, the City Council certified an Environmental Impact Report for the Project.

E. Limited Engagement Special Counsel has special expertise in issues arising under the California Environmental Quality Act ("CEQA").

F. The City Council, in consultation with the City Administrator and the City Attorney, has determined that CEQA may require additional environmental review of the Project, and the City desires to retain Limited Engagement Outside Counsel for the limited purpose of assisting the City Attorney in reviewing and commenting on any additional environmental review documents that may be required for the Project.

NOW THEREFORE, the undersigned parties do hereby agree as follows:

1. Scope of Representation. The City is engaging Limited Engagement Outside Counsel for the sole purpose of assisting the City Attorney in reviewing and providing comments on CEQA environmental documents that the City is currently preparing or may prepare in the future for the Project. Limited Engagement Outside Counsel is not being engaged to advise or assist the City Council or the City Attorney in any other capacity with regard to the Project or any other matter. Upon the City Council taking action on the Project, or in the event of termination of this Agreement under Section 5 below, any and all obligations under this Agreement shall terminate except as otherwise provided herein. The attorney primarily responsible for this representation will be Peter Craigie.

2. Legal Fees and Costs. Limited Engagement Outside Counsel services in this matter, including any and all costs, will be provided to the City without charge.

3. Conflicts with Other Clients. The parties understand and agree that Limited Engagement Outside Counsel may currently or in the future represent one or more other clients (including current, former, and future clients) in another matter in which it does not represent the City, even if the interests of the other client are adverse to the City (including appearance on behalf of another client adverse to the City in litigation or arbitration) *provided*: (a) the other matter is not substantially related to Limited Engagement Outside Counsel's representation of the City under this Agreement, and (b) in the course of representing the City Limited Engagement Outside Counsel has not obtained confidential information from the City material to representation of the other client. Finally, Limited Engagement Outside Counsel may at its own expense also seek legal advice about its own rights and responsibilities regarding its engagement by the City from other attorneys; any such communications and advice are protected by Limited Engagement Outside Counsel's own attorney-client privilege and neither the fact of any communication nor their substance is subject to disclosure to the City. To the extent that Limited Engagement Outside Counsel is addressing its own rights and responsibilities, a conflict of interest might be deemed to exist between Limited Engagement Outside Counsel and the City, particularly if a dispute should arise between them. The City hereby consents to such consultation occurring and waives any claim of conflict of interest based on such consultation or resulting communications that would otherwise disqualify Limited Engagement Outside Counsel from continuing to represent the City or from acting in Limited Engagement Outside Counsel's own behalf, even if doing so might be deemed adverse to the interests of the City. The provisions of this Section 3 shall survive termination of the Agreement.

4. Discretion of City/Potential Future Conflict of Interest. The parties understand and agree that City's retention of Limited Engagement Outside Counsel shall in no way limit City's discretion with respect to certification of any environmental documents or action on the Project. In the event that the City Council shall not approve the Project prior to termination of this Agreement, Limited Engagement Outside Counsel shall not thereafter represent PRFO or Blair Park LLC in any matter related to the Project without obtaining the prior written consent of the City. The provisions of this Section 4 shall survive termination of this Agreement.

5. Termination of Representation. This Agreement shall terminate on the earlier of: (a) the City Council taking final action on the Project, or (b) termination of the Agreement by either party as provided in this Section 5. The City has the right to terminate the Limited Engagement Outside Counsel representation at any time by written notice to Limited Engagement Outside Counsel. Subject to the Limited Engagement Outside Counsel's ethical obligation to give the City reasonable notice to arrange for alternate representation, the Limited Engagement Outside Counsel may terminate representation of the City by written notice at any time.

6. Arbitration. Any dispute between or among the City and Limited Engagement Outside Counsel or any of their attorneys and agents, including but not limited to claims of malpractice, errors or omissions, or any other claim of any kind regardless of the facts or the legal theories, shall be finally settled by mandatory binding arbitration in San Francisco, California, conducted in accordance with California Code of Civil Procedure §§ 1282 *et seq.*,

including, but not limited to, section 1283.05, with each party to bear its own costs and attorneys' fees and disbursements. Such arbitration shall be conducted before a single arbitrator, except in matters involving a dispute greater than five hundred thousand dollars, which shall be conducted before a three arbitrator panel with each side selecting one arbitrator and the two arbitrators selected by the parties choosing the third arbitrator. Judgment on a binding arbitration award may be entered in any court of competent jurisdiction. Arbitration has the potential to provide a more timely, more economic and more confidential resolution of any dispute between us. There will likely be less discovery and a determination by an agreed upon arbitrator or arbitrators rather than a judge or jury. The parties mutually acknowledge that, by this Agreement to arbitrate, each of them irrevocably waives their rights to court or jury trial. The parties agree that this Agreement will be governed by the laws of California without regard to its conflict rules. Subject in all cases to the arbitration provisions herein provided, the parties agree that with regard to the courts' exclusive jurisdiction and exclusive venue for any dispute between them shall lie solely with the Alameda County Superior Court and the corresponding federal court. Subject to the arbitration provisions, the City consents to service of process pursuant to the applicable California state statutes and federal rules.

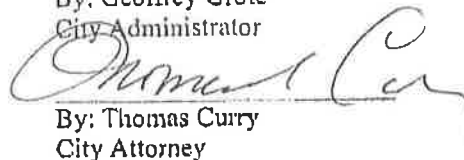
The undersigned have read and understood this Limited Engagement Retainer Agreement and agree that it correctly sets forth the terms upon which Limited Engagement Outside Counsel has been engaged by the City in connection with the representation described herein.

Date: July 25, 2011

CITY OF PIEDMONT


Signature

By: Geoffrey Grote
City Administrator


By: Thomas Curry
City Attorney

Date: July 21, 2011

CRAIGIE, MCCARTHY & CLOW, LLP


Signature

By: Peter Craigie