

Item #6:
Res Ratifying Approval Of Contract With Filippini Law Firm

**VILLAGE OF LONG GROVE
RESOLUTION NO. 2014-O-__**

**A RESOLUTION APPROVING AND RATIFYING THE
ENGAGEMENT OF THE FILIPPINI LAW FIRM**

WHEREAS, the Village of Long Grove has engaged Victor P. Filippini, Jr. ("**Filippini**") as Village Attorney for approximately ten years; and

WHEREAS, until 31 May 2014, Filippini had been a partner with the law firm of Holland & Knight LLP; and

WHEREAS, as of June 1, 2014, Filippini has continued his practice through the Filippini Law Firm; and

WHEREAS, the Board of Trustees of the Village has determined that it is in the best interests of the Village and its residents to continue to engage Filippini through the Filippini Law Firm and to direct Holland & Knight LLP to transfer Village client files from Holland & Knight LLP to the Filippini Law Firm;

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LONG GROVE, COUNTY OF LAKE, STATE OF ILLINOIS, as follows:

Section 1: Recitals. The foregoing recitals are hereby adopted by the Village Board and incorporated into this resolution as if fully set forth.

Section 2: Approval and Ratification of Transfer and Engagement. The Village Board hereby approves the engagement of the Filippini Law Firm and the authorization for the transfer of client files from Holland & Knight LLP to the Filippini Law Firm, and further ratifies any prior action regarding the approval of documents in substantially the form attached hereto as Exhibit A effecting such engagement and transfer.

Section 3: Effective Date. This Resolution shall be in full force and effect upon its passage and approval in the manner provided by law.

PASSED THIS 10TH DAY OF JUNE, 2014.

AYES: Trustees XXXXXX
NAYS: None
ABSENT: None
ABSTAIN: None

APPROVED THIS 10TH DAY OF JUNE, 2014.

Angela Underwood, Village President

ATTEST:

Heidi Locker-Sheer, Village Clerk

EXHIBIT A

Transfer Authorization and Engagement Letter

DRAFT

[Filippini Law Firm]

1 June 2014

President Angela Underwood and
Members of the Board of Trustees
Village of Long Grove
3110 Old McHenry Road
Long Grove IL 60047

Re: Engagement Letter

Dear President Angela Underwood and Members of the Board of Trustees:

Thank you for retaining Victor Filippini and the Filippini Law Firm to represent the Village of Long Grove (the "**Village**") as its Village Attorney. This engagement commences 1 June 2014. We look forward to serving the Village's needs and to maintaining a mutually satisfactory relationship.

As Village Attorney, we will provide general counseling services on all matters that come before the Village and any of its subsidiary bodies. We will also be available to represent the Village in litigation matters that may arise, although we understand that the Village retains separate counsel for routine prosecution of ordinance violations. Under any circumstance, of course, the Village will retain the prerogative to engage special counsel on any discrete matters that it may elect from time-to-time.

The purpose of this letter is to confirm our engagement as Village Attorney and to provide you certain information concerning our fees, billing and collection policies, and other terms that will govern our relationship. Although we do not wish to be overly formal in our relationship with you, we have found it a helpful practice to confirm with our clients the nature and terms of our representation. Attached to this letter are our firm's standard terms of engagement. Please review these and let me know if you have any questions concerning our policies.

With respect to this representation, I will be charging my most favorable hourly rate of \$310, which is applicable to our general counsel governmental clients and is discounted approximately 35% from my standard hourly rate of \$475. This is the same rate that applied while I was a partner at Holland & Knight, although I will not increase this rate before 1 January 2016. As of 1 January 2016, consistent with our standard terms of engagement, we will undertake an annual evaluation of the rates that will be charged for the services that this firm provides.

If the terms described above and in the attached terms of engagement are satisfactory, please so indicate by signing and returning the enclosed copy of this letter.

We look forward to working with you to bring these matters to a successful conclusion.

Very truly yours,

Victor P. Filippini, Jr.

Enclosure

President Angela Underwood and
Members of the Board of Trustees
1 June 2014
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Approved this 29th day of May, 2014.

THE VILLAGE OF LONG GROVE

By: Angela K. Underwood
Angela Underwood, Village President

FILIPPINI LAW FIRM
TERMS OF ENGAGEMENT

We appreciate your decision to retain Filippini Law Firm as your legal counsel.

This document explains how we work, our obligations to you, your obligations to us, what we will do on your behalf, and how our charges will be determined and billed. Experience has shown that an understanding of these matters will contribute to a better relationship between us, and that in turn makes our efforts more productive.

Our engagement and the services that we will provide to you are limited to the matter identified in the accompanying letter. Any changes in the scope of our representation as described in the letter must be approved in writing. We will provide services of a strictly legal nature related to the matters described in that letter. You will provide us with the factual information and materials we require to perform the services identified in the letter, and you will make such business or technical decisions and determinations as are appropriate. You will not rely on us for business, investment, or accounting decisions, or expect us to investigate the character or credit of persons or entities with whom you may be dealing, unless otherwise specified in the letter.

We cannot guarantee the outcome of any matter. Any expression of our professional judgment regarding your matter or the potential outcome is, of course, limited by our knowledge of the facts and based on the law at the time of expression. It is also subject to any unknown or uncertain factors or conditions beyond our control.

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. 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 you will be based on mutual confidence and unrestrained communication that will facilitate our proper representation of you.

Additionally, you should be aware that, in instances in which we represent a corporation or other entity, our client relationship is with the entity and not with its individual officers, officials, executives, shareholders, directors, members, managers, partners, or persons in similar positions, or with its parent, subsidiaries, or other affiliates. In those cases, our professional responsibilities are owed only to that entity, alone, and no conflict of interest will be asserted by you because we represent persons with respect to interests that are adverse to individual persons or business organizations who have a relationship with you. That is to say, unless the letter accompanying this document indicates otherwise, Filippini Law Firm's attorney-client relationship with the entity does not give rise to an attorney-client relationship with the parent, subsidiaries or other affiliates of the entity, and representation of the entity in this matter will not give rise to any conflict of interest in the event other clients of the firm are adverse to the parent, subsidiaries or other affiliates of the entity. Of course, we can also represent individual executives, shareholders, directors, members, managers, partners, and other persons related to the entity in matters that do not conflict with the interests of the entity, but any such representation will be the subject of a separate engagement letter. Similarly, when we represent a party on an insured claim, we represent the insured, not the insurer, even though we may be approved, selected, or paid by the insurer.

The firm attempts to achieve efficiencies and savings for its clients by managing the firm's administrative operations (e.g., file storage, document duplication, word processing, accounting/billing) in the most efficient manner possible, including outsourcing certain functions to third parties. Outsourcing in this manner may require the firm to allow access by third parties to your confidential information. The firm will follow applicable legal ethics rules with regard to such outsourcing and protection of confidential information.

Fees and Billing

Clients frequently ask us to estimate the fees and other charges they are likely to incur in connection with a particular matter. We are pleased to respond to such requests whenever possible with an estimate based on our professional judgment. This estimate always carries the understanding that, unless we agree otherwise in writing, it does not represent a maximum, minimum, or fixed fee quotation. The ultimate cost frequently is more or less than the amount estimated.

Legal Fees. We typically undertake engagements on an hourly basis, but we are amenable to alternative billing arrangements. For example, we may agree with our clients to perform services on a fixed-fee or other basis that we and the client believe will encourage efficiency and reflect the value of our services in relation to a particular objective.

If you and we have agreed on a fixed fee arrangement, our fees will not be limited to the fixed amount if you fail to make a complete and accurate disclosure of information that we have requested and that we reasonably require for our work, or if you materially change the terms, conditions, scope, or nature of the work, as described by you when we determined the fixed amount. If any of these events occurs, our fees will be based upon the other factors described below, unless you and we agree on a revised fixed fee.

If the accompanying engagement letter does not provide for a fixed fee, or if we do not otherwise confirm to you in writing a fee arrangement, our fees for services will be determined as described in the following paragraphs.

When establishing fees for services that we render, we are guided primarily by the time and labor required, although we also consider other appropriate factors, such as the novelty and difficulty of the legal issues involved; the legal skill required to perform the particular assignment; time-saving use of resources (including research, analysis, data and documentation) that we have previously developed and stored electronically or otherwise in quickly retrievable form; the fee customarily charged by comparable firms for similar legal services; the amount of money involved or at risk and the results obtained; and the time constraints imposed by either you or the circumstances. In determining a reasonable fee for the time and labor required for a particular matter, we consider the ability, experience, and reputation of the lawyer or lawyers in our firm who perform the services. To facilitate this determination, we internally assign to each lawyer an hourly rate based on these factors. Of course, our internal hourly rates change periodically to account for increases in our cost of delivering legal service, other economic factors, and the augmentation of a particular lawyer's ability, experience, and reputation. Any such changes in hourly rates are applied prospectively, as well as to unbilled time previously expended. We record and bill our time in one-tenth hour (six minute) increments.

When selecting lawyers to perform services for you, we generally seek to assign lawyers having the lowest hourly rates consistent with the skills, time demands, and other factors influencing the professional responsibility involved in each matter. That does not mean that we will always assign a lawyer with a lower hourly rate than other lawyers. As circumstances require, the services of lawyers in the firm with special skills or experience may be sought when that will either (a) reduce the legal expense to you, (b) provide a specialized legal skill needed, or (c) help move the matter forward more quickly. Also, to encourage the use of such lawyers in situations where their services can provide a significant benefit that is disproportionate to the time devoted to the matter, we may not bill for their services on an hourly rate basis but, if you agree in advance, we will adjust the fee on an

"added value" basis at the conclusion of the matter if and to the extent their services contribute to a favorable result for you.

Disbursements. In addition to legal fees, our statements will include out-of-pocket expenses that we have advanced on your behalf and our internal charges (which may exceed direct costs and allocated overhead expenses) for certain support activities. Alternatively, the firm may charge for such internal charges as a percentage of the fees charged. Advanced expenses generally will include, but are not limited to, such items as travel, postage, filing, recording, certification, and registration fees charged by governmental bodies. Our internal charges typically include, but are not limited to, such items as toll calls, facsimile transmissions, overnight courier services, certain charges for terminal time 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.

During the course of our representation, it may be appropriate to hire third parties to provide services on your behalf. These services may include such things as consulting or testifying experts, investigators, providers of computerized litigation support, and court reporters. Because of the legal "work product" protection afforded to services that an attorney requests from third parties, in certain situations our firm may assume responsibility for retaining the appropriate service providers. Even if we do so, however, you will be responsible for paying all fees and expenses directly to the service providers or reimbursing us for these expenses.

The firm attempts to achieve efficiencies and savings for its clients when dealing with independent contractors. The firm may be able to obtain a reduced charge from the contractor if the firm provides certain functions, such as billing, collection, equipment, space, facilities, or clerical help. For these administrative and coordination services, the firm may charge an administrative fee, which will be separately disclosed to you.

Billing. We bill periodically throughout the engagement for a particular matter, and our periodic statements are due when rendered. If our fees are based primarily on the amount of our time devoted to the matter, our statements will be rendered monthly. In instances in which we represent more than one person with respect to a matter, each person that we represent is jointly and severally liable for our fees and expenses with respect to the representation. Our statements contain a concise summary of each matter for which legal services are rendered and a fee is charged.

If a statement remains unpaid for more than 30 days, you will be contacted by a firm representative inquiring why it is unpaid. Additionally, if a statement has not been paid within 30 days from its date, the firm may impose an interest charge of 1.25 percent per month (a 15 percent annual percentage rate) from the 30th day after the date of the statement until it is paid in full. 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.

It is the firm's policy that if an invoice remains unpaid for more than 90 days, absent extraordinary circumstances and subject to legal ethics constraints, the firm's representation will cease, and you hereby authorize us to withdraw from all representation of you. Any unapplied deposits will be applied to outstanding balances. Generally, the firm will not recommence its representation or accept new work from you until your account is brought current and a new deposit for fees and costs, in an amount that the firm determines, is paid to it.

In addition, if you do not pay the firm's statements as they become due, the firm may require a substantial partial payment and delivery of an interest-bearing promissory note as part of any arrangement under which it may, in its discretion, agree to continue its representation. Any such promissory note will serve merely as evidence of your obligation, and shall not be regarded as payment.

If allowed by applicable law, the firm is entitled to reasonable attorneys' fees and court costs if collection activities are necessary. In addition, the firm shall have all general, possessory, or retaining liens, and all special or charging liens, recognized by law.

Payment of our fees and costs is not contingent on the ultimate outcome of our representation, unless we have expressly agreed in writing to a contingent fee.

Questions About Our Bills. We invite you to discuss freely with us any questions that you 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 you require and in such customary form that you desire, and are willing to discuss with you any of the various billing formats we have available that best suits your needs.

Relationships with Other Clients

We may be asked to represent a client with respect to interests that are adverse to those of another client who is represented by the firm in connection with another matter. Just as you would not wish to be prevented in an appropriate situation from retaining a law firm that competes with Filippini Law Firm, our firm wishes to be able to consider the representation of other persons or entities that may be competitors in your industry or who may have interests that are adverse to yours, but with respect to matters that are unrelated in any way to our representation of you. The ethics that govern us permit us to accept such multiple representations, assuming certain conditions are met, as set forth below, and upon agreement of the parties.

During the term of this engagement, we will not accept representation of another client to pursue interests that are directly adverse to your interests unless and until we make full disclosure to you of all the relevant facts, circumstances, and implications of our undertaking the two representations, and confirm to you 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 you and the matter for the other client; (ii) any confidential information that we have received from you will not be available to the other client without your consent; (iii) our effective representation of you and the discharge of our professional responsibilities to you will not be prejudiced by our representation of the other client; and (iv) the other client has also 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 adverse representation and all conflict issues will be deemed to have been resolved or waived by you.

By making this agreement, we are establishing the criteria that will govern the exercise of your right under applicable ethical rules to object to our representation of another client whose interests are adverse to yours. If you contest in good faith the facts underlying our confirmation to you that the specified criteria have been met, then we will have the burden of reasonably supporting those facts.

Knowledge Management Tool

In order to better and more economically serve our clients, we may implement a document search engine that will allow us to search the firm's institutional work product to determine whether there exist documents created for one client that can be used as a starting point for the preparation of new documents for other clients. Documents that are subject to ethics wall restrictions, have extraordinary confidentiality requirements, or contain sensitive client information will not be included in this system.

Termination

Upon completion of the matter to which this representation applies, or upon earlier termination of our relationship, the attorney-client relationship will end unless you and we have expressly agreed to a

continuation with respect to other matters. We hope, of course, that such a continuation will be the case. The representation is terminable at will by either of us. The termination of the representation will not terminate your obligation to pay fees and expenses incurred prior to the termination and for any services rendered or disbursements required to implement the transition to new counsel.

Your agreement to this engagement constitutes your acceptance of the foregoing terms and conditions. If any of them is unacceptable to you, please advise us now so that we can resolve any differences and proceed with a clear, complete, and consistent understanding of our relationship.

David Lothspeich

From: victor.filippini@hklaw.com
Sent: Thursday, May 22, 2014 11:47 AM
To: David Lothspeich
Subject: CONFIDENTIAL/Transition Matters
Attachments: document2014-05-22-100713.pdf; 29964885_1.docx

Dear Dave,

To follow-up our conversation of a few weeks ago, I am providing you with the documentation that the Village would need to approve in connection with a transition of my legal representation of the Village from the law firm of Holland & Knight to a new law firm that I will be starting. Accordingly, I am attaching two documents:

1. A letter set forth on Holland & Knight letterhead executed by me and the Firm asking the Village to confirm whether it wants to transfer its representation to me under the aegis of a new firm outside of Holland & Knight.
2. The other is a draft engagement letter between the Village and the new firm that I will be forming; such engagement letter contains general terms that are substantially similar to the terms of Holland & Knight's current engagement with the Village. Because I will remain a partner of Holland & Knight until 5/31/14, however, the engagement letter must of necessity remain draft until 6/1/14.

Regarding the scope of services that I would provide the Village in a new firm setting, I anticipate that they would be comparable to the scope of services that I have been providing to the Village for all these many years. One exception is that I will agree to freeze my rates through 12/31/15.

Sorry for the delay in getting these materials to you, but I did not receive final Firm approval of the transfer letter until yesterday.

Please contact me with any questions. Thank you,

Vic

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