



**MILLER STARR  
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August 15, 2016

**VIA E-MAIL AND U.S. MAIL**

Barbara Thompson  
Assistant County Administrative Officer  
(Acting Assistant County Counsel)  
County of San Benito  
481 4th St., 2nd Floor  
Hollister, CA 95023  
E-Mail: BThompson@cosb.us

Frederick M Bates  
Bates Properties Inc.  
8650 River Meadows Rd  
Carmel, CA. 93923  
E-Mail: fbates@bpi4.com

Re: County of San Benito and Bates Properties Inc.; Involvement of Miller Starr  
Regalia re management and processing of the application submitted by the  
developers for the land use project known as The Bluffs Project

Dear Barbara and Fred:

As you know, this Firm regularly represents The County of San Benito in a variety of land use and CEQA matters. We have previously represented various matters wherein Fred Bates, as well as Scott Stringer, are involved as principals in connection with various acquisition and land use development matters. As we have discussed, we are currently involved in a land use matter wherein Miller Starr Regalia represents an entity that involves both Messrs. Bates and Stringer as principals. We have been requested by County of San Benito to represent the County in the management and processing of the application submitted by the developers for the land use project known as The Bluffs Project (the "Bluffs Project").

Under the rules of professional conduct applicable to attorneys practicing law in the State of California, an attorney may not represent a client in a matter in which the client's interests are adverse or potentially adverse to those of another client of the same attorney (or law firm) without the informed written consent of both parties. In this case, the Bluffs Project would necessarily involve an actual or potential adversity of interests between County of San Benito and Bates Properties, Inc. because Miller Starr Regalia will be providing counsel to the County of San Benito in connection with a land use entitlement application submitted by Fred Bates and Bates Properties, Inc.

The purpose of this letter is to request that each of County of San Benito and Bates Properties, Inc. waive the referenced conflict of interest and consent to the Firm's representation of County of San Benito alone, and not Bates Properties, Inc., in the Bluffs

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Project. Either of you has the right to consult independent counsel in determining whether to waive the subject conflicts of interest.

The Firm requires and adheres to the requirements of Rules of the California State Bar with respect to the attorney-client privilege. The Firm is not proposing a waiver of the privilege of confidentiality by either party and this Firm will not share any information obtained from either party in the course of our representation of such party with the other party unless compelled to do so under applicable law.

In connection with the proposed Bluffs Project, the Firm would be representing only the interests of County of San Benito and would not be representing the interests of Bates Properties, Inc. We understand that Bates Properties, Inc. will be represented by separate legal counsel of its choosing in connection with the Bluffs Project.

In connection with the representation of County of San Benito in the Bluffs Project, this Firm is not requesting County of San Benito or Bates Properties, Inc. to waive any conflict of interest that may arise in the future from a material dispute between them arising out of the subject transaction. The Firm would not represent either party in any adversarial proceeding between them on such dispute before a court, arbitrator or other adjudicatory decision-maker. We further would reserve the right to withdraw from representation of County of San Benito in the Bluffs Project if, in our judgment, an unwaivable conflict of interest should come to our attention in the course of this representation. We do note, however, that the Bluffs Project is not related to and did not arise from any litigated matter between the parties, and we are not aware of any present basis for litigation to arise from the Bluffs Projects.

If you are agreeable to this arrangement, we ask that you consent to this arrangement and waive any conflict of interest or conflict of duties to disclose information that would otherwise exist on our part. Your consent to the terms of this letter shall serve to specifically acknowledge the following:

- (1) You have been advised of Rule 3-310 (a copy of which is attached as Exhibit A) and of the potential conflicts associated with your respective interests;
- (2) You have been advised of the Firm's present and continuing relationships with County of San Benito and Bates Properties, Inc., as applicable;
- (3) You consent to this Firm's concurrent representation of County of San Benito and Bates Properties, Inc. with respect to the work described above and waive any potential or actual conflict of interest inherent in this Firm's concurrent representation of both such parties, provided that the Firm will only be representing the interests of County of San Benito with respect to the Bluffs Project;
- (4) You agree that our above-referenced representation of County of San Benito and Bates Properties, Inc., as applicable, may continue until and beyond such time as when our representation of each or both of you in the above-referenced matters have been concluded or terminated for any reason, provided, however, that both

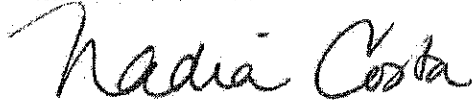
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parties agree that Miller Starr Regalia may represent the County of San Benito in the event that third party litigation is brought in connection with the above-referenced entitlement application wherein Bates Properties, Inc. (or related entity) would be a real party in interest so long as both parties agree to this representation.

If each of you is prepared to waive the actual or potential conflicts of interest arising from the proposed transaction and this Firm's representation of County of San Benito in it, please so indicate by executing the within consent and acknowledgement and returning it to the undersigned as soon as possible. As noted, if you are not prepared to execute this waiver, please advise me as soon as possible.

Very truly yours,

MILLER STARR REGALIA

  
Nadia L. Costa *sls*

NLC/sls

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## CONSENT AND WAIVER OF CONFLICT OF INTEREST

### COUNTY OF SAN BENITO:

The undersigned, on behalf of County of San Benito, hereby consents to the representation by Miller Starr Regalia of County of San Benito in connection with the matters described above, and to the extent provided in the preceding letter, waives any actual or potential conflict of interest that may exist on the part of Miller Starr Regalia as a result of Miller Starr Regalia's representation of Bates Properties, Inc. as described above and in other unrelated matters.

Date: \_\_\_\_\_

COUNTY OF SAN BENITO

By: \_\_\_\_\_  
BARBARA THOMPSON,

### BATES PROPERTIES, INC.

The undersigned, on behalf of Bates Properties, Inc., and its respective affiliates, hereby consents to the representation by Miller Starr Regalia of County of San Benito in connection with the matters described above, and to the extent provided in the preceding letter, waives any actual or potential conflict of interest that may exist on the part of Miller Starr Regalia as a result of such representation of County of San Benito as described above and in other unrelated matters.

Date: \_\_\_\_\_

BATES PROPERTIES, INC.

By: \_\_\_\_\_  
Frederick M. Bates

EXHIBIT "A"

(A) For purposes of this rule:

(1) "Disclosure" means informing the client or former client of the relevant circumstances and of the actual and reasonable foreseeable adverse consequences to the client or former client;

(2) "Informed written consent" means the client's or former client's written agreement to the representation following written disclosure;

(3) "Written" means any writing as defined in Evidence Code section 250.

(B) A member shall not accept or continue representation of a client without providing written disclosure to the client where:

(1) The member has a legal, business, financial, professional, or personal relationship with a party or witness in the same matter; or

(2) The member knows or reasonably should know that:

(a) the member previously had a legal, business, financial, professional, or personal relationship with a party or witness in the same matter; and

(b) the previous relationship would substantially affect the member's representation; or

(3) The member has or had a legal, business, financial, professional, or personal relationship with another person or entity the member knows or reasonably should know would be affected substantially by resolution of the matter; or

(4) The member has or had a legal, business, financial, or professional interest in the subject matter of the representation.

(C) A member shall not, without the informed written consent of each client:

(1) Accept representation of more than one client in a matter in which the interests of the clients potentially conflict;

(2) Accept or continue representation of more than one client in a matter in which the interests of the clients actually conflict; or

(3) Represent a client in a matter and at the same time in a separate matter accept as a client a person or entity whose interest in the first matter is adverse to the client in the first matter.

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(D) A member who represents two or more clients shall not enter into an aggregate settlement of the claims of or against the clients without the informed written consent of each client.

(E) A member shall not, without the informed written consent of the client or former client, accept employment adverse to the client or former client where, by reason of the representation of the client or former client, the member has obtained confidential information material to the employment.

(F) A member shall not accept compensation for representing a client from one other than the client unless:

(1) There is no interference with the member's independence of professional judgment or with the client-lawyer relationship; and

(2) Information relating to representation of the client is protected as required by Business and Professions Code section 6068, subdivision (e); and

(3) The member obtains the client's informed written consent, provided that no disclosure is required if;

(a) such nondisclosure is otherwise authorized by law; or

(b) the member is rendering legal services on behalf of any public agency which provides legal service