

FOGHORN LAW OFFICE, LLC

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ALASKA STATEWIDE PRACTICE

February 17, 2026

By email

Kathy Leary
City Administrator
City of Gustavus
(907) 697-2451
administrator@gustavus-ak.gov

Re: Letter of Interest to Provide Gustavus' City Attorney services

Dear Kathy,

Thank you for reaching out regarding the City of Gustavus' plan to contract with a new legal counsel for the City Attorney services. I am interested in providing the City of Gustavus with legal services as the City Attorney for Gustavus. I understand this will involve working with the City Administrator, Mayor, and City Council to provide legal guidance and representation on a variety of municipal issues. These may include but are not limited to: ordinance and resolution drafting and review, Open Meetings Act Issues, Public Records Act issues, contract review, employment issues, recommended code changes, and appearance at City Council meetings as requested.

I understand that the City of Gustavus has averaged approximately 40 hours a year on City Attorney services for the past five years.¹ This appears to be on the low end of what I would expect from a community of your size. I am available and can commit to providing City Attorney services at that capacity, as well as at a larger capacity (up to 250 hours a year). If the City's needs arise to more than 250 attorney hours a year, that may still be possible, but my firm will assess whether it may require taking on less other clients.

I will be the attorney responsible for Foghorn Law Office, LLC. We can agree to a government rate of \$285.00 per attorney hour and will honor that rate for FY2026 and FY2027. Our government rate for paralegal services is \$120.00/hour, which we can honor for FY2026 and

¹ This does not include time spent on the Xunaa Borough/LBC appeal.

FY2027. Starting with FY2028, the rates will increase to \$300/hour attorney rate, \$130/hour paralegal rate.

If it becomes necessary to retain any experts, my firm does not advance the costs of those experts. When you have agreed upon the experts to be retained upon your behalf, you will be responsible for paying the retainers for those experts directly and to pay all invoices and bills from those experts directly.

In the course of representation, we may store and access information through a secured cloud site. Unless you direct otherwise in writing, your acceptance of this engagement letter provides us with authorization to do so. It may also be necessary to access email communications while traveling on a public wifi network. Unless you direct us otherwise in writing, your acceptance of this engagement letter provides us with the authorization to do so.

Statements of account will be sent monthly, detailing the services provided and the hours of work. We bill at 1/10 of hour increments. Costs for expenses such as faxes, postage, large photocopies, and all other reasonable out-of-pocket expenses will also be listed on the monthly statements. We will seek approval in advance for any expense costs over \$150.00. Payment for monthly invoices is due by check within 30 days of the date of invoice; interest is assessed at 3% for services unpaid after 30 days.

You have the right, with or without cause, to terminate our services upon written notice to that effect. Subject to the fulfillment of our obligations to maintain proper standards of professional conduct, we reserve the right to terminate our services at any time, with or without cause, upon reasonable written notice to you.

If the above arrangement meets the needs of the City of Gustavus, I will provide a formal engagement letter for your signature.

Thank you and I look forward to working with you.

Sincerely

/s/ Megan J. Costello

Megan J. Costello

