



Gabe Racz
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January 8, 2025

Todd Fessenden
Utilities Director
Town of Erie
645 Holbrook St.
Erie CO 80516

tfessenden@erieco.gov

Re: Town of Erie – Water Quality matters

Dear Todd:

Thank you for selecting Clark Hill to represent the Town of Erie (the Client) in this matter. This letter and the attached Standard Terms of Engagement set forth the basis on which our firm will provide legal services. If we provide services before a signed copy of this letter is returned to us, those services are provided under these terms.

Whom We Represent. Our client in this matter will be the Town of Erie, CO. Our representation of the Client in this matter does not give rise to a lawyer-client relationship between the firm and any of the Client’s officers, directors, owners, employees, subsidiaries, affiliates, or other persons or entities unless we specifically agree in writing.

Scope of Engagement. We agree to represent the Client in water quality matters in Colorado, including representation in hearings, rulemakings, and discharge permitting matters. We agree that our engagement is limited to performance of legal services related to this matter and, unless we agree otherwise in writing, we are not undertaking to represent the Client or its interests in any other matter. We will not provide business, investment, or accounting advice and understand that the Client will rely on others for such advice. We will not provide tax advice unless we specifically agree to do so in writing.

Our engagement does not include any advice or other legal services relating to federal or state securities laws, including appearing or practicing before the U.S. Securities and Exchange Commission (SEC) or the Client’s disclosure obligations under such laws, and we understand that the Client will not, without our prior written consent, include documents or

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information we provide to it in any filings with federal or state securities regulators, including the SEC.

Unless specifically stated in our scope of work, our engagement does not include responsibility for review of the Client's insurance policies to determine the possibility of coverage for any claim or loss at issue in this matter, or for notification of the Client's insurance carriers about the matter.

Fees. Our fees will be based on the amount of time spent by the professionals working on the matter and the hourly rates established for each. The firm's standard hourly billing rates for the attorneys I expect to be working on this engagement currently range from \$235 to \$950, and my standard hourly rate is \$605. Justine Beckstrom's standard hourly rate is \$525. We agree, however, to discount our standard rates to \$400 and \$325 per hour, respectively, for this matter. The hourly rates charged for paralegals range from \$140 to \$235. Our billing rates are subject to change from time to time.

Retainer. In most matters, our representation will not commence until we receive a retainer to serve as security for our fees and expenses. Because I have represented Erie for many years at my former firm, I will not require an additional retainer at this time.

Choice of Law. The relationship between the Client and the firm, including the validity, construction, and enforceability of this engagement letter, shall be governed in all respects by the law of Colorado, without regard to conflicts of laws principles.

If you agree to the terms of this engagement as stated above and in the attached Standard Terms of Engagement, please sign and return a copy to me. We look forward to working with you.

Sincerely,

CLARK HILL

/s/ Gabe Racz

Gabe Racz



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Town of Erie ACCEPTS, AND AGREES TO BE BOUND BY, THE FOREGOING.

Town of Erie

By: _____

Its: _____

Date: _____

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STANDARD TERMS OF ENGAGEMENT

Entire Agreement. The engagement letter and these Standard Terms of Engagement constitute the entire understanding and agreement between the client identified in the engagement letter (the Client) and this firm regarding our representation of the client in the matter described in the engagement letter. Unless otherwise agreed, they supersede any prior understandings and agreements, written or oral, and any billing requirements, outside counsel guidelines, or letters submitted to us. If any provision of the engagement letter or these Standard Terms of Engagement is held by a court or other arbitrator to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect. The engagement letter and these Standard Terms may be amended only by a written agreement between the client and the firm. The Client should review this document carefully and contact us promptly with any questions. The Client should retain this document in its file.

Client Rights and Responsibilities. The Client has the right to (A) expect competent representation by the firm; (B) determine the purposes to be served by the legal representation, so long as those purposes are legal and do not violate the firm's obligations to the profession or to the judiciary; (C) be kept reasonably informed about the status of the matter and have the firm respond promptly to reasonable requests for information; and (D) terminate the representation at any time, with or without cause, subject to the obligation for payment of legal services provided and costs incurred by the firm.

The Client has the responsibility to (A) pay the firm as provided by this agreement; (B) be candid and cooperative with the firm and any court or other tribunal; (C) keep us informed with complete and accurate information, documents, communications, and other materials relevant to the subject matter of our representation or otherwise requested by us. In a litigation matter, the Client also has the responsibility to make its officers and employees available to meet with firm personnel and to attend trials, hearings, depositions, and other proceedings, and to commit the appropriate personnel and sufficient resources to meet the Client's discovery obligations.

The Client may not (A) demand that the firm use offensive tactics or treat anyone involved in the legal process with anything but courtesy and consideration; (B) demand any assistance which violates the Rules of Professional Conduct; or (C) pursue or insist upon a course of action which the firm reasonably believes to be illegal, fraudulent, offensive, or unwise. The firm may terminate this agreement for reasons permitted under the Rules of Professional Conduct.

Because we need to be able to contact the Client at all times regarding this representation, the Client agrees to inform us, in writing, of any changes in the Client's name, address, telephone number, contact person, email address, state of incorporation, and other relevant

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information regarding the Client or its business. Whenever we need instructions or authorization to proceed with legal work for the Client, we will contact the Client at the most recent business address we have received. If the Client affiliates with, acquires, is acquired by, or merges with another company, it agrees to provide us with sufficient notice to permit us to withdraw as its lawyers if we determine that such affiliation, acquisition, or merger creates a conflict of interest, or that it is not in the best interests of the firm to represent the new entity.

Whom We Represent. The person or entity whom we represent is the person or entity identified in our engagement letter. We do not represent any affiliates or related parties of that person or entity, such as owners, parent companies, subsidiaries, sibling entities, or other affiliates; or employees, officers, directors, shareholders of a corporation, partners of a partnership, members of an association or limited liability company, and/or other constituents of a named client unless our engagement letter expressly provides otherwise. Accordingly, our representation in this matter will not give rise to a conflict of interest in the event we represent other clients adverse to an affiliate or related person or entity in other matters.

Advice About Possible Outcomes. From time to time, either at the outset or during the course of our representation, we may express opinions or beliefs concerning the matter or various courses of action and the results that might be anticipated. Any such statement made by any lawyer of our firm is an expression of opinion only, based on information available to us at the time, and should not be construed as a promise or guarantee.

In-Firm Privilege. From time to time, issues arise relating to legal ethics or our duties under the professional conduct rules that apply to lawyers. These might include, e.g., conflict of interest issues, and could even include issues raised because of a dispute between us and a client over the handling of a matter. Normally, when such issues arise, we seek the advice of our firm counsel, who is an expert in such matters. We consider such consultations to be attorney-client privileged communications between firm personnel and the counsel for the firm. A few courts, however, have held that under some circumstances such communications involve a conflict of interest between the client and our firm and that our consultation with firm counsel may not be privileged, unless we either withdraw from the representation of the client or obtain the client's consent to consult with firm counsel.

We believe that it is in our clients' interest, as well as our firm's interest, that when legal ethics or related issues arise during a representation, we obtain expert analysis of our obligations. Accordingly, the Client agrees that if we determine in our own discretion during the course of the representation that it is either necessary or appropriate to consult with our internal or outside counsel, we have the Client's consent to do so and that our representation of the Client shall not, thereby, waive any attorney-client privilege that our firm may have to protect the confidentiality of our communications with counsel.

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Termination of Engagement. The Client may at any time terminate our representation upon written notice to the firm. We reserve the right to withdraw from our representation as required or permitted by the applicable rules of professional conduct upon written notice to the Client. If we terminate the engagement, we will take reasonable steps to protect the Client's interests in this matter, and the Client agrees to take all steps necessary to free us of any obligation to perform further, including executing any documents necessary to complete our withdrawal. If permission for withdrawal is required by a court or other adjudicator, we will promptly request such permission, and the Client agrees not to oppose our request.

The Client's termination or our withdrawal will not relieve the Client of its obligation to pay for services rendered, including work in progress and incomplete at the time of termination, and to pay for all expenses incurred on behalf of the Client through the termination or withdrawal date.

Conclusion of Representation; Retention and Disposition of Documents. Absent express notice of termination, our representation of the Client will conclude with respect to any particular matter for which we have been engaged upon completion of our work on that matter. At the Client's written request, its original documents and property will be returned to the Client, although the firm reserves the right to retain copies of any such documents as it deems appropriate. Our files and documents pertaining to the matter will be retained by the firm. For various reasons, including the minimization of unnecessary storage expenses, and consistent with professional conduct rules, we reserve the right to destroy or otherwise dispose of any such documents or other materials retained by us at the end of the firm's retention period, which is ten years, without further notice to the Client.

Post-Engagement Matters. The Client is engaging the firm to provide legal services in connection with a specific matter. After completion of the matter, changes may occur in the applicable laws or regulations that could impact the Client's future rights and liabilities. Unless the Client engages us after completion of the matter to provide additional legal advice on issues arising from the matter, the firm has no continuing obligation to advise the Client on such issues or on future legal developments, including monitoring deadlines that may arise with respect to the matter.

Costs. We will include in our statements separate charges for services, such as copying, messenger and delivery service, computer research, travel, international telephone, and fax charges. Such expenses may also include filing fees, deposition costs, process servers, court reporters, and witness fees. The Client authorizes us to retain any investigators, consultants, or experts necessary in our judgment to represent the Client's interests in the matter. We will usually advance costs up to \$100, and require that our clients directly pay, or deposit with us funds to pay, expenses over \$100.

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Estimates. We are often requested to estimate the amount of fees and costs likely to be incurred in connection with a particular matter. But fees and costs are usually not predictable. Accordingly, we make no commitment concerning the maximum fees and costs that will be necessary to resolve or complete the matter. Any mention by us of fees and costs is only an estimate. It is also expressly understood that the Client's obligation to pay the firm's fees and costs is in no way contingent on the ultimate outcome of the matter.

Payment of Invoices. Normally, we will send monthly invoices for work performed and expenses incurred during the previous month. Payment is due promptly upon receipt of our invoice. Any balance unpaid after 30 days of the date of the invoice will accrue interest at the rate of seven percent (7%) per annum. Payments will be applied first to costs and expenses, then to accrued interest, if any, and then to the unpaid fees.

We will give the Client notice if the Client's account becomes delinquent. If the delinquency continues and the Client does not arrange satisfactory payment terms, we may withdraw from the representation and pursue collection of the account. We may also request permission of any court in which we have filed an appearance on the Client's behalf to allow us to withdraw as the Client's counsel, and the Client agrees that non-payment of our fees is a valid basis for our request to withdraw. To the extent collection of the Client's account becomes necessary, the Client agrees that, in addition to any unpaid balance and interest thereon, we will be entitled to recover all costs and expenses of collection, including reasonable attorney fees.

Retainer. We reserve the right to apply retainer funds to any delinquent payment due from the Client and to discontinue this representation until the Client replenishes the retainer. While a retainer is on deposit in our trust account, the Client grants us a security interest in such funds. Client retainers are deposited in a pooled trust account. By law, interest earned on the pooled account is paid to a charitable foundation.

Trial Advance. In a litigation matter, once a trial or hearing date is set, we may require the Client to pay all amounts then owed to us and to deposit with us the fees we estimate will be incurred in preparing for and completing the trial or arbitration, as well as jury fees and arbitration fees likely to be assessed. If the Client fails to timely pay any additional deposit requested, we will have the right to withdraw from the representation. If permission of the court or other adjudicator is required, the Client agrees not to oppose any motion to withdraw.

Electronic Communications. It is likely that during the course of this engagement both the Client and the firm will use electronic devices and Internet services (which may include unencrypted email, mobile phones, voice over Internet, electronic data/document websites, and other technology) to communicate and transfer documents. Although the use of this technology involves some degree of risk that third parties may access confidential



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communications, you agree that the benefits of using this technology outweigh the risk of accidental disclosure. Nevertheless, just as we have policies and systems in place designed to make our electronic communications with you reasonably secure, it is equally important that you communicate with us in a manner that reasonably protects the confidentiality of information we share and any attorney-client privilege that may apply to our communications. This means that you should not use any computers or other electronic devices, networks, or websites that are owned, controlled, or may be accessed by others, including but not limited to, an employer, a hotel, library, or Internet café, or a shared home computer, to send or receive confidential information to or from us. Any device you use should be password protected and not accessible for use by any third party.