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GARFIELD & HECHT, P.C.

ATTORNEYS AT LAW

Since 1975

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David McConaughy
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November 3, 2021

VIA Email

Buckhorn Valley Metropolitan District No. 1
c/o John Hill
2680 18th St.
Denver CO 80211
jvhill.co@gmail.com

Re: LEGAL REPRESENTATION AND FEE AGREEMENT

Dear Mr. Hill:

1. **Scope of Engagement; You Hire Us To Act As Your Attorney:** Thank you for the opportunity to represent the Buckhorn Valley Metropolitan District No. 1. This agreement covers legal services pertaining to the subject matter hereof rendered prior to your signing this letter. Please note we are not business or investment advisers and do not make decisions or give advice as to whether or not it would be advantageous, profitable or otherwise in your best interests to engage in any particular transaction. Where we represent you in connection with the purchase, sale, financing, lease or any other transaction involving property, such representation does not extend to identifying physical or environmental defects or conditions; our review of title matters is circumscribed by those items listed and produced as exceptions to and requirements of title by the particular title company selected by the parties to the transaction and we may rely, without further inquiry, on such title commitments and any other reports, studies or investigations provided by third party professionals, such as surveyors, home inspectors or title companies. Where our representation arises through a referral from another attorney, we assume no responsibility for acts or omissions on the part of such prior attorney. After completion of this engagement, changes may occur in the applicable laws or regulations that may impact your future rights or liabilities. Unless you specifically engage us to provide additional services after the completion of this engagement, we do not undertake to advise you with respect to future legal developments relating to this engagement.

2. **Fees and Staffing; We Bill By The Hour:** The current rate for the persons primarily responsible for this matter is \$350 per hour for David McConaughy and Mary Elizabeth Geiger. This applies to general matters. For litigation or water rights, or for situations where our fees are to be reimbursed by developers or applicants for services from the District, the rate will be \$440 per hour. From

time to time, we may assign other lawyers, primarily associates, or paralegals for discrete tasks. We agree to keep records of all time spent. Unless otherwise advised, you will be billed monthly. Unless otherwise agreed, you will be billed for professionals' time at increments of 1/10th hour. Our rates and fees are based on factors set forth in Rule 1.5(a) of the Colorado Rules of Professional Conduct, applicable to all Colorado attorneys. We periodically review and adjust the hourly rates of our attorneys, paralegals or other timekeepers in response to rising costs, market conditions or other factors law firms typically take into account. By this letter you approve adjustments that do not exceed annually ten percent (10%) over the hourly rate initially quoted to you. Any estimate given regarding fees or costs of your matter are preliminary in nature and unless agreed otherwise are not binding on us and should not be relied upon. Actual fees and costs of your matter may vary substantially from estimates. Where we represent you in connection with the sale or purchase of real estate or other transaction where a settlement statement may be utilized, you authorize us to add a line item for the balance of our legal fees to be paid out of the closing. However, such payment does not always constitute full payment of our legal fees. At the time of closing it may not be possible to have accounted for all our legal fees, especially if incurred a couple of days before or on day of closing or in attending to post-closing matters. You agree to remain responsible for all such fees.

3. **Expenses; You Will Reimburse Us For Expenditures On Your Behalf:** You agree to pay promptly for such legal services and to pay all expenses incurred in connection therewith, such as long distance, court reporters, data compilation and management, office copying service, postage, Federal Express or other overnight carriers, filing, recording fees, secretarial overtime, and the like allocated to your legal matter. We may also incur travel, mileage, lodging and subsistence expenses for your legal matter for which you are also responsible. In certain matters, we will need to retain consultants, vendors and experts on your behalf. You authorize us to incur costs on your behalf, but we are not required to do so. We will attempt to obtain your consent before incurring costs in excess of \$500.00, but you understand that circumstances may make it impractical to obtain your consent before incurring such costs. You agree that you are solely responsible for any costs incurred on your behalf. In lieu of advancing costs, we may request funds from you for the payment of anticipated costs, which will be kept in our COLTAF account until the costs are incurred. These payments or requested funds for payment must be paid promptly.

4. **Litigation; We Cannot Guarantee Success:** If our representation of you involves a contested or adversarial matter, we intend to assert your position vigorously and efficiently. However, you must understand that, in representing any client in a contested or adversarial matter, we cannot promise or guarantee the ultimate success of your position, whether in a lawsuit, arbitration or any other forum. Our performance also depends, in large part, upon your cooperation and particularly upon prompt receipt of information and instructions from you from time to time as the matter progresses. Further, the level of activity may, in large measure, depend on the steps the other parties may take and their willingness, if any, to resolve your dispute without a full-scale trial. We hereby advise you of the existence of alternative forms of dispute resolution which might reasonably be pursued to attempt to resolve the legal dispute or to reach the legal objective sought.

5. **Payment; We Charge Interest On Late Payment:** If you are billed for any legal services or expenses, you agree that payment must be made within 30 days of the date of any such bill. You will be charged compounded interest at a periodic monthly rate of 1.5% (this is an annual percentage rate of

18%) on any balance unpaid after 30 days, but in no event less than a 1.5% periodic monthly rate. In cases of our representation of a corporation or other business entity, your signature below constitutes your undertaking to be personally responsible for all statements rendered to such entities in the course of our representation. Unless otherwise agreed, where there are multiple clients, we look to each for full payment of our bills without having to wait for the others to pay their share pursuant to any arrangement that may exist among them. In the event that you do not pay an invoice within forty-five (45) days and no information is brought to our attention regarding a dispute as to the amount owed, we may elect to take legal action including a collection lawsuit to recover our unpaid legal fees and costs and accrued interest. Under such circumstances you agree to pay our reasonable legal fees and costs incurred in such collection activity and you further agree to submit to the jurisdiction of the County or District Court in Colorado of the county in which our office is located where the primary legal services were provided as reasonably determined by us.

6. **Withdrawal; We Reserve The Right To Withdraw, You May Always Terminate Us:**

By written notice, we may withdraw as your counsel for reasons including, but not limited to, failure to pay fees or expenses, failure to cooperate with the firm, conflicting communications where there is more than one client and those mandated by the Colorado Rules of Professional Conduct or otherwise provided in this agreement. If permission for withdrawal from employment is required by court rules, the firm shall withdraw upon receiving permission from the court; and you agree to pay all legal fees until such permission is obtained or otherwise incurred incident to the winding up and conclusion of your representation. Upon withdrawal, you shall immediately pay any remaining balance owed on your account. You may also terminate our employment by notifying us in writing. The firm reserves its right to assert a retaining lien or charging lien, as appropriate, on any unpaid balance.

7. **Privacy; Your Assurance Of Confidentiality, When Disclosures Are Permitted:**

Subject to professional and ethical standards, all communications between us are protected by the attorney-client privilege. This privilege may be waived by you if you share the communications or advice with third parties. We advise you not to share or disclose attorney-client communications to any third parties without first consulting us. Additionally, we advise that you avoid posting any information related to the scope of our representation on social media, as this may result in a waiver of the attorney-client privilege. Any information that you post on social media may be discoverable by adverse parties; we advise you to avoid posting any information related to the scope of our representation or your underlying legal matter on social media. Confidential information may be shared by us with other attorneys, paralegals, contract attorneys or legal assistants and outside consultants retained on your behalf whose services are necessary in the course of our representation. Confidential information may also be disclosed by us to third parties where such disclosure is implied from the legal services you have requested us to provide such as our outside ethics counsel or our IT provider. Further, if requested, client names may be disclosed to any municipality that is or may become a client of the firm. This disclosure is limited to legal matters within the territorial limits of such municipality or properties that may be eligible for annexation and subject to the requirement that the municipality keep such names confidential to the extent permitted by law. We protect all such information with physical, electronic, and procedural safeguards that comply with our professional standards. If we are representing multiple clients in this matter, it is your responsibility to advise us if any information you may give us is confidential. Otherwise, all relevant communications received from you may be disclosed to other clients we represent in this matter.

8. **Insurance; We Are Not Responsible For Insurance You May Have:** It is possible you may have insurance policies relating to the matter wherein you have requested our assistance. You should carefully check all policies and, if coverage may be available, notify the insurance company about the matter as soon as possible. We do not undertake any responsibility to advise you as to the existence, applicability or availability of any insurance coverage or to give notice or tender any claims to any insurance company for any of the matters being handled by this firm. If any insurance company undertakes the payment of any portion of our billing statements, you will still remain responsible for any amounts not paid by the insurance company. Finally, if there is insurance involved in any transaction where we represent you, it is your responsibility to determine whether or not the underwriter has adequate resources to pay any claim. We are not financial analysts, and we do not have the expertise to advise you as to the financial condition of any underwriter or insurance agent.

9. **Conflicts of Interest; Conflict Checks; Conflicts That May Arise Later and Waivers:** To protect both of us and to comply with our professional obligations, our representation is subject to clearance of any conflicts of interest with present or former clients of our firm, as well as approval by the firm's management which reviews all new matters. Conflicts of interest may also arise at some later date. If a conflict arises through no fault of our law firm, for example, as a result of a merger or acquisition you enter, you agree that such circumstances will not be a basis to disqualify us in this or any other matter. If a conflict arises because a particular lawyer joins our firm, you agree that it will be a sufficient remedy to screen such lawyer or lawyers from our engagement(s) for you, including any relevant documents. This firm represents many companies, associations, individuals, municipalities and other governmental or quasi-governmental entities. It is possible that during the time we are representing you, some of our current or future clients will have disputes or transactions with you. You agree that we may continue to represent or undertake in the future to represent existing or new clients in any matter, including litigation, even if the interests of such other clients in such other matters are directly adverse to yours, so long as those matters are not substantially related to our work for you. In cases where the attorney handling your case may be acquainted or friendly with the opposing attorney, we will consider if such relationship may interfere with the effective representation you would expect from us absent such relationship. If we do not perceive such interference, you hereby waive any conflict of interest where such relationship may be present. Should we perceive that such relationship might interfere, we will disclose such circumstances to you and discuss whether you would want to waive the conflict or have us withdraw from representing you.

10. **File Retention Policy; When Your Files May Be Disposed Of:** The firm reserves the right to dispose of any file four (4) years after the legal matters described therein have been resolved or four (4) years after the last work on the matter has been performed, whichever is first. If you wish to obtain your file, you must do so by written request within said four (4) year period. You agree to be responsible for the shipping and handling charges incurred in forwarding these files to you or to any third party you may designate.

11. **Dispute Resolution; We Will Try To Resolve Disputes By Mediation And If Not Successful Then By Arbitration:** In the event of any dispute, controversy or claim (a "**Dispute**") arising from or relating to (1) this agreement or breach thereof, including a dispute as to the amount owed for legal fees or (2) any representation or services provided by the firm including possible malpractice where the Dispute cannot be resolved by direct discussions between the parties, you and this firm agree to first

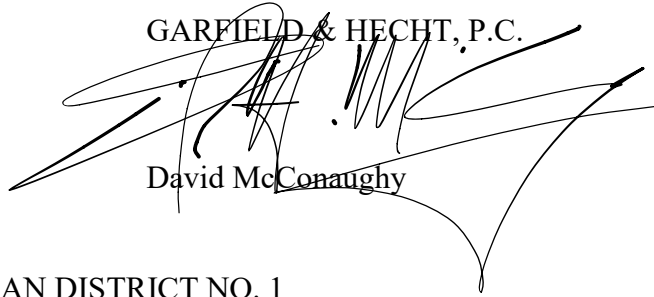
endeavor to resolve the Dispute by mediation before resorting to arbitration. Mediation may be initiated by written notice by either party who has authority to resolve the Dispute. If the Dispute is not resolved within sixty (60) days after the beginning of mediation then, upon written notice by either party to the other, the dispute shall be finally resolved by binding arbitration conducted by, and in accordance with the rules of the Judicial Arbiter Group, Inc., or, if such entity is no longer functioning, its successor or such other entity most nearly performing the same function in Colorado as we may reasonably determine. BY AGREEING TO ARBITRATION THIS FIRM AND YOU AGREE TO WAIVE ANY RIGHT TO A TRIAL BY JURY. On balance we believe arbitration is a worthwhile way to resolve Disputes because it can be done expeditiously and with less expense than litigation. The place of mediation and arbitration shall be in the county in Colorado in which our office is located where the primary legal services were provided as reasonably determined by us. Except as may be required by law, a party, mediator or arbitrator may not, with respect to a Dispute, disclose the existence, content or results of any discussions, mediation, or arbitration hereunder without the prior written consent of both parties, and the process of discussions, mediation, if necessary, and arbitration, if necessary, shall, to the fullest extent allowed by law, be the sole means of resolving any Disputes. If we prevail in the arbitration, you agree to pay our reasonable attorney fees and costs incurred. As to non-payment of legal fees only, and provided neither party has requested mediation or arbitration, we reserve the right to file a collection lawsuit. If we have commenced a collection lawsuit for legal fees owed and in the course of that litigation you raise any matters that are required to be resolved in accordance with the dispute resolution procedures set forth herein, we shall dismiss or stay the litigation and submit the dispute to these resolution procedures.

12. **E-Mail Alerts; Website:** If you have provided us with your e-mail or mailing address, we may periodically send to you via e-mail or regular mail alerts involving firm news or changes in laws. If you do not wish to receive these alerts, please let us know, and we will omit your name from our distribution list. Sending such alerts is solely a courtesy to our clients and does not give rise to any duty on our part to keep you informed of changes in laws or constitute legal advice. Documents we send you by e-mail (whether or not containing confidential information) will not be encrypted unless you request us, in writing, to encrypt outgoing e-mail and we are able, without significant additional cost, to agree with you and implement mutually-acceptable encryption standards and protocols. We make reasonable attempts to exclude from our e-mails and any attachments any virus or other defect that might affect any computer or information technology system. However, it is your responsibility to put in place measures to protect your computer system against any such virus or defect, and we do not accept any liability for any loss or damage that may arise from the receipt or use of electronic communication from us. If you are a corporation or other form of entity, your signature below constitutes a consent to include your name in the Representative Client listing appearing on our website. We never post the names of individuals on the list. If you do not wish to have your name appearing on the listing, please let us know.

Please have the District's President acknowledge acceptance of the terms set forth herein by executing this letter and returning it to the undersigned by email or facsimile at (970) 925-3008. If you prefer to have an electronic version I am happy to forward it to you via DocuSign for ease of signing. We look forward to working with you.

Very truly yours,

GARFIELD & HECHT, P.C.



David McConaughy

AGREED TO:

BUCKHORN VALLEY METROPOLITAN DISTRICT NO. 1

DocuSigned by:

By: _____
B14D8666394F471
President, Board of Directors

If a different billing address is not provided below the address at the beginning of this engagement letter will be used for billing purposes. You may also elect to have your billing emailed to you. Please select your preferred method of delivery below.

Billing Mailing Address:

E-Mail – Billing E-mail Address:

