

RESOLUTION NO. 9

SERIES 2017

RESOLUTIONS OF THE CRESTED BUTTE TOWN COUNCIL APPROVING THE ENGAGEMENT LETTER OF BUTLER SNOW LLP TO SERVE AS BOND LEGAL COUNSEL IN THE TOWN'S PROPOSED LOAN FROM THE COLORADO WATER RESOURCES AND POWER DEVELOPMENT AUTHORITY IN CONNECTION WITH THE TOWN'S PROPOSED IMPROVEMENTS TO THE WASTEWATER TREATMENT PLANT

WHEREAS, the Town of Crested Butte, Colorado (the "**Town**") is a home rule municipal corporation, duly and regularly organized and now validly existing as a body corporate and politic under and by virtue of the Constitution and laws of the State of Colorado;

WHEREAS, the Town Council, by Ordinance No. 4, Series 2017, has found and determined that it is in the best interest of the Town to make improvements to its wastewater treatment plant (the "**Project**");

WHEREAS, the Town has made an application to the Colorado Water Resources and Power Development Authority (the "**CWRPDA**") for a loan to finance all or a portion of the cost of the Project;

WHEREAS, the Town Council has determined that in order to finance all or a portion of the cost of the Project, it is necessary and advisable and in the best interests of the Town for the Town to enter into a loan agreement (the "**Loan Agreement**") with the CWRPDA, pursuant to which the CWRPDA will loan the Town an amount of not more than \$2,500,000.00 (the "**Loan**") for such purposes;

WHEREAS, the repayment obligations under the Loan Agreement will be evidenced by a governmental agency bond (the "**Bond**") to be issued by the Town to the CWRPDA;

WHEREAS, the Town's obligations under the Loan Agreement and the Bond (collectively, the "**Financing Documents**") will constitute a revenue obligation of the Town payable from the Pledged Property (as defined in the Loan Agreement);

WHEREAS, pursuant to TABOR, Section 10.4 of the Charter, Title 31, Article 35, Part 4, C.R.S. and the Enterprise Act, the Financing Documents may be approved by the Town Council without an election;

WHEREAS, the Town Council desires to approve the form of the Financing Documents and other documents referenced therein, authorize the execution of the Loan Agreement, and authorize the execution and delivery of the Bond;

WHEREAS, in order for the Town Council to approve the form of the Financing Documents and other documents referenced therein, authorize the execution of the Loan Agreement and authorize the execution and delivery of the Bond, the Town Council finds it necessary and appropriate, on recommendations from the Town Attorney that it retain the services of special bond counsel in such transactions; and

WHEREAS, the Town Council has determined that engaging special bond counsel Butler Snow LLP to perform special bond counsel services in connection with the Project and the Loan is, for the reasons stated above, in the best interest of the health, safety and welfare of the Town, its residents and visitors.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO, THAT:

1. **Findings.** In addition to the findings set forth in the recitals set forth above, which such findings shall be deemed material terms hereof, the Town Council hereby finds that entering into the engagement letter with Butler Snow LLP for Butler to serve as special municipal bond and loan counsel regarding the Town Council approving the form of the Financing Documents and other documents referenced therein, authorizing the execution of the Loan Agreement and authorizing the execution and delivery of the Bond is in the best interest of the Town, its residents and visitors.

2. **Approval; Authorization of Town Manager.** Based on the foregoing, the Town Council hereby approves the engagement letter with Butler Snow LLP in substantially the same form as attached hereto as **Exhibit "A"**; and, the Town Manager is hereby authorized to execute such engagement letter in such form.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL THIS 6th DAY OF March, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: Glenn Michel
Glenn Michel, Mayor

ATTEST

Lynelle Stanford
Lynelle Stanford, Town Clerk

(SEAL)



EXHIBIT "A"

(Butler Snow LLP Engagement Letter)

[attach form of Engagement Letter for signature here]

BUTLER | SNOW

February 20, 2017

VIA E-MAIL

Town Council
Town of Crested Butte
P.O. Box 39
Crested Butte, CO 81224

Attn: John Belkin, Town Attorney

RE: Proposed Loan from the Colorado Water Resources and Power
Development Authority to the Town of Crested Butte, Colorado

Dear Members of Council:

We are pleased to confirm our engagement as bond counsel to the Town of Crested Butte, Colorado (the "Town"). We appreciate your confidence in us and will do our best to continue to merit it. This letter sets forth the role we expect to serve and the responsibilities we expect to assume as bond counsel to the Town in connection with the proposed Loan (the "Loan") from the Colorado Water Resources and Power Development Authority (the "Authority") and the Town, which Loan will be evidenced by a loan agreement to be entered into between the Town and the Authority (the "Loan Agreement").

Personnel. Dee Wisor will be principally responsible for the work performed by Butler Snow LLP ("Butler Snow") on your behalf in connection with the Loan and he will report to and take direction from you. Where appropriate, certain tasks may be performed by other attorneys or paralegals. At all times, however, Dee will coordinate, review, and approve all work completed for the Town.

Scope of Responsibilities. Bond counsel is engaged as a recognized independent expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and incurrence of obligations such as the Loan. In our capacity as bond counsel, we will: examine applicable law; prepare or review authorizing and operative documents; consult with the parties to the transaction prior to the closing on the Loan Agreement; review certified proceedings of the Town; and undertake such additional duties as we deem necessary to render the opinion. Subject to the completion of proceedings to our satisfaction, we will render our opinion relating to the validity of the Loan and the enforceability of the security for the Loan.

In rendering our opinion, we will rely upon the Town's certified proceedings and other certifications of public officials and other persons furnished to us without

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undertaking to verify the same by independent investigation. Our opinion regarding the Loan will be executed and delivered by us in written form on the date the Loan Agreement is executed and delivered (the "Closing") and will be based on facts and law existing as of its date. Upon delivery of the opinion, our responsibilities as bond counsel will be concluded with respect to this financing.

Our services as bond counsel are limited to those contracted for explicitly herein; the Town's execution of this letter constitutes as acknowledgement of those limitations. Specifically, but without implied limitation, our responsibilities do not include any representation by Butler Snow in connection with any IRS audit SEC enforcement action or any litigation involving the Town or the Loan, or any other matter. Neither do we assume responsibility for the preparation of any collateral documents (e.g., environmental impact statements) which are to be filed with any state, federal or other regulatory agency. Nor do our services include financial advice (including financial advice about the structure of Loan) or advice on the investment of funds related to the Loan.

Attorney-Client Relationship. In performing our services as bond counsel, the Town will be our client and an attorney-client relationship will exist between us. We will represent the interests of the Town rather than its Town Council, its individual members, or the Town's employees. We assume that other parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction.

Conflicts of Interest Before accepting any new business, the Colorado Rules of Professional Conduct (the "Rules") require us to evaluate whether there exist any ethical constraints to representing the Town. We have completed a conflicts check within our firm and have found no current conflict between the Town and our existing clients.

Fee Arrangement. Our fee will be contingent upon closing of the Loan and will be based upon the time we spend on this matter and our discounted rates set forth below. We estimate that our fee will be in the range of \$6,000 to \$10,000. Butler Snow's rates for the work by its attorneys and legal assistants vary based on the experience and expertise of the individuals involved. Typically, we adjust these rates at year-end to reflect changing economic conditions. If the firm increases rates during this engagement, we will provide written notice of those changes. The Rules require that the basis or rate of legal fees be communicated to the client in writing. The hourly rates for our lawyers who may work on this matter are set forth below:

Attorney	Billing Rate	Discounted Rate
Dee P. Wisor	\$620.00	\$510.00
Kim Crawford	515.00	420.00
Monica Rosenbluth	370.00	305.00
Martina Hinojosa	240.00	200.00

In addition, this letter authorizes us to incur expenses and make disbursements on behalf of the Town, which we will include in our invoice. Disbursement expenses will include such items as travel costs, photocopying, deliveries and other out-of-pocket costs. Attached as Exhibit A is our billing policy.

We understand and agree that our fee and any disbursements made in connection with the engagement will be paid at Closing out of proceeds of the Obligations. If the financing is not consummated, we understand and agree that we will not be paid either our fee or any disbursements we have made in connection with the engagement. If, for any reason, the financing is completed without our opinion as bond counsel, we will expect to be compensated at our normal hourly rates for time actually spent on your behalf, plus any disbursements that we have made.

Document Retention. At or within a reasonable period after Closing, we will review the file to determine what materials should be retained as a record of our representation and those that are no longer needed. We will provide you with a copy of the customary transcript of documents after Closing and will return any original documents obtained from you (if a copy is not included in the transcript). Our document retention policy is attached as Exhibit B.

Termination of Engagement. Upon delivery of our approving opinion, our responsibilities as bond counsel will terminate with respect to the Loan, and our representation of the Town and the attorney-client relationship created by this engagement letter will be concluded. Should the Town seek the advice of bond counsel on a post-closing matter or seek other, additional legal services, we would be happy to discuss the nature and extent of our separate engagement at that time.

Approval. If the foregoing terms of this engagement are acceptable to you, please so indicate by returning a copy of this letter signed by the officer so authorized, keeping a copy for your files.

We are pleased to have the opportunity to serve as your bond counsel and look forward to a mutually satisfactory and beneficial relationship. If at any time you have questions concerning our work or our fees, we hope that you will contact us immediately.

BUTLER SNOW LLP

By: Dee P. Wilson

ACCEPTED AND APPROVED:

TOWN OF CRESTED BUTTE, COLORADO

By: John Mehl

Title: Mayor

Date: March 7, 2017

DPW/jw
Enclosures

EXHIBIT A
BUTLER SNOW LLP
STANDARD BILLING TERMS AND CHARGES FOR EXPENSES
 As of January 1, 2017

Butler Snow LLP (the "Firm") will bill clients on a monthly basis for legal services, unless another arrangement is agreed to and approved in writing by the Firm and the Client. The Firm typically sends bills for legal services and expenses via the U.S. Postal Service or by e-mail. Electronic billing services may also be used by specific agreement.

It is our goal that our bills are easy to understand, simple, and reflect appropriate charges for the value our services provided. As such, we do not charge for many incidental costs or routine services. We are continually working to ensure that our bills are clear and understandable. Should you have questions about any aspect of your bill, please contact the Firm as soon as possible so that your concerns may be quickly resolved. The chart below spells out the complete details of our expense charges. Our bills are due upon receipt of the bill, unless other arrangements are agreed to in advance.

Any overpayments or duplicate payments the Firm receives that cannot be posted to an outstanding bill ("unapplied payments") will be deposited into the Firm's operating account upon receipt and posted as unapplied cash to the client's account. These unapplied payments will either be applied to a future bill or refunded to the client, whichever is appropriate.

Document Reproduction	No charge for routine reproduction (under 50 pages per day)	
Normal sized documents (up to 11 x 17)	For reproduction in excess of 50 pages per day –	
	Black & White: \$0.10/page	Color: \$0.25/page
Oversize documents (size in excess of 11 x 17)	Bates Labeling –	
	Electronic: \$0.05/page	Manual: \$0.15/page
Electronic Data Manipulation for reproduction	Charge for each page – no exclusion	
	Black & white: \$6.00/page	Color: \$30.00/page
Document Scanning	No charge for routine scanning (except evidentiary materials)	
Oversize documents (size in excess of 11 x 17)	Bulk scanning of evidentiary documents: \$0.06/page	
	<i>(additional charge for document coding)</i>	
Wire Transfers	Outgoing: International: \$50/wire Domestic: \$25/wire	
Data/Audio/Visual Duplication & Reproduction	CD/DVD:	\$12.00 for each disc
	Portable Media Devices:	Priced per data storage size
Electronically Stored Information (Litigation Support Services)	Data Filtering/Searching:	\$50.00/gb per occurrence
	Data Processing Native:	\$150.00/gb per occurrence
	Data Processing Full Tiff:	\$200.00/gb per occurrence
	Data Storage:	\$15.00/gb per month
Computerized Legal Research	No charge for basic research. \$35/search for public records, special treatises, briefs, motions and expert directory databases. Specialized research at actual cost with prior client approval	

Electronic retrieval of Court documents	\$0.40 / document
Fax and Long Distance Phone	No charge for calls or Fax transmissions within the U.S. Non-domestic and conference calls charged at actual cost.
Travel (personal vehicle)	Current Standard Mileage Rate as allowed by the IRS
Messenger Delivery and Service of Subpoenas or Summons	Deliveries under 10 miles one way-No charge; 10-25 miles one way-\$25.00; over 25 miles one way-\$10.00/hour plus mileage; Service of Subpoenas/Summons-\$35.00 plus delivery
Overnight Package Delivery	Charged at actual cost per package
Postage	No charge for routine postage (under \$25 per day) Bulk mailing postage: at actual cost

EXHIBIT B
NOTICE TO CLIENTS OF BUTLER SNOW'S
RECORD RETENTION & DESTRUCTION POLICY FOR CLIENT FILES

Butler Snow maintains its client files electronically. Ordinarily, we do not keep separate paper files. We will scan documents you or others send to us related to your matter to our electronic file for that matter and will ordinarily retain only the electronic version while your matter is pending. **Unless you instruct us otherwise, once such documents have been scanned to our electronic file, we will destroy all paper documents provided to us.** If you send us original documents that need to be maintained as originals while the matter is pending, we ordinarily will scan those to our client file and return the originals to you for safekeeping. Alternatively, you may request that we maintain such originals while the matter is pending. If we agree to do that, we will make appropriate arrangements to maintain those original documents while the matter is pending.

At all times, records and documents in our possession relating to your representation are subject to Butler Snow's Record Retention and Destruction Policy for Client Files. Compliance with this policy is necessary to fulfill the firm's legal and ethical duties and obligations, and to ensure that information and data relating to you and the legal services we provide are maintained in strict confidence at all times during and after the engagement. All client matter files are subject to these policies and procedures.

At your request, at any time during the representation, you may access or receive copies of any records or documents in our possession relating to the legal services being provided to you, excluding certain firm business or accounting records. We reserve the right to retain originals or copies of any such records or documents as needed during the course of the representation.

Unless you instruct us otherwise, once our work on this matter is completed, we will designate your file as a closed file on our system and will apply our document retention policy then in effect to the materials in your closed files. At that time, we ordinarily will return to you any original documents we have maintained in accordance with the preceding paragraph while the matter was pending. Otherwise, we will retain the closed file materials for our benefit and subject to our own policies and procedures concerning file retention and destruction. Accordingly, if you desire copies of any documents (including correspondence, e-mails, pleadings, contracts, agreements, etc.) related to this matter or generated while it was pending, you should request such copies at the time our work on this matter is completed.

You will be notified and given the opportunity to identify and request copies of such items you would like to have sent to you or someone else designated by you. You will have

30 days from the date our notification is sent to you to advise us of any items you would like to receive. You will be billed for the expense of assimilating, copying and transmitting such records. We reserve the right to retain copies of any such items as we deem appropriate or necessary for our use. Any non-public information, records or documents retained by Butler Snow and its employees will be kept confidential in accordance with applicable rules of professional responsibility.

Any file records and documents or other items not requested within 30 days will become subject to the terms of Butler Snow's Record Retention and Destruction Policy for Client Files and will be subject to final disposition by Butler Snow at its sole discretion. Pursuant to the terms of Butler Snow's Record Retention and Destruction Policy for Client Files, all unnecessary or extraneous items, records or documents may be removed from the file and destroyed. The remainder of the file will be prepared for closing and placed in storage or archived. It will be retained for the period of time established by the policy for files related to this practice area, after which it will be completely destroyed. This includes all records and documents, regardless of format.

While we will use our best efforts to maintain confidentiality and security over all file records and documents placed in storage or archived, to the extent allowed by applicable law, Butler Snow specifically disclaims any responsibility for claimed damages or liability arising from damage or destruction to such records and documents, whether caused by accident; natural disasters such as flood, fire, or wind damage; terrorist attacks; equipment failures; breaches of Butler Snow's network security; or the negligence of third-party providers engaged by our firm to store and retrieve records.