

KIRTON | McCONKIE

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Brent A. Andrewsen	Nikki M. Davis	Benson L. Hathaway, Jr.	Raeburn G. Kennard	R. Willis Orton	Tiffany Smith	Analise Q. Wilson	Gregory G. Clark
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Jason W. Beutler	Wallace O. Felsted	Dale E. Hulse*	Oscar W. McConkie III	Matthew K. Richards	Patrick J. Thurston	Elaine C. Young	
Kenneth W. Birrell	Bruce Findlay	Lee Ford Hunter	Craig F. McCullough	Shawn T. Richards	David B. Tingey*	Todd E. Zenger*	
Christopher E. Bramhall	Ryan B. Frazier	Robert C. Hyde	Lynn C. McMurray	Lance D. Rich	Jared S. Turner		
Jed Brinton	Stephen W. Geary	Scott E. Isaacson	William A. Meaders, Jr.	Eric B. Robinson	Jon E. Waddoups	*Registered Patent Attorney	
N. Kenneth Burraston*	Geoff N. Germane	Larry S. Jenkins	Thomas A. Mecham	Dallas J. Rosevear	Adam D. Wahlquist	^Licensed only in Mexico	
James T. Burton	Julie H. Gheem*	Allison P. Johanson	Antonio A. Mejia	Joshua S. Rupp*	David M. Wahlquist	+Licensed only in TX, KS	
Tyler L. Buswell	David L. Glazier	Randy K. Johnson	Barbara V. Melendez	C. Gabriel Sanchez^	Robert D. Walker	--Licensed only in CA	
Thomas K. Checketts	Chad A. Grange	Richard G. Johnson, Jr.	Craig Metcalf*	Paul K. Savage	Thomas D. Walk		
Christian S. Collins	Kirk W. Grimshaw	Michael D. Johnston	Gregory S. Moesinger	Anthony W. Schofield	Robert R. Wallace	Wilford W. Kirton (1922-2000)	
David R. Conklin*	R. Shawn Gunnarson	Adam M. Kaas	Thomas L. Monson	M. Thomas Schofield	Steven L. Whitehead	Oscar W. McConkie, Jr. (Retired 2009)	

April 27, 2015

The Honorable Mayor Gary Gygi
David Bunker, City Manager
City of Cedar Hills
10246 N Canyon Road
Cedar Hills, UT 84062
dbunker@cedarhills.org

Re: Engagement

Dear Mayor Gygi and Mr. Bunker:

We are delighted to have been awarded the contract for City Attorney legal services as a result of the City's recent procurement process. Before we begin, we are required to define the terms of our engagement. This letter will set forth our agreement as to the scope and terms of our representation of you.

Scope of Engagement

This firm has agreed to provide you legal services as follows: (a) serve as City Attorney in administrative matters which include all issues for which the City needs legal advice with the exceptions of litigation, financing and lobbying (the "Administrative Matters"); (b) litigation matters, which include without limitation, all matters before any federal, state or local tribunal or regulatory body (the "Litigation Matters"); (c) financing, which will include serving in any capacity as legal counsel to the City on any debt issuance or other financing structures (the "Financing Matters"); and (d) lobbying, which will include advocacy on behalf of the City before the Federal Congressional Delegation or state elected officials (the "Lobbying Matters;") Litigation Matters, Financing Matters and Lobbying Matters may sometimes be referred collectively to as "Other Legal Issues"). You should have a clear understanding of the legal services we will provide. If you have any question about the scope or description of our services, please contact the undersigned before signing this letter. Unless this agreement is modified in writing, any subsequent or additional matters will also be governed by this agreement. We will at all times act on your behalf to the best of our ability. Any expressions on our part concerning the outcome of your legal matters are expressions of our best professional judgment, and are not guarantees of any particular result.

Such opinions and advice are necessarily limited by our knowledge of the facts and are based on the state of the law at the time they are expressed.

Personnel Assigned

Each client of Kirton McConkie is served by a lead attorney. The lead attorney for your matters will be David J. Shaw. You are free to request a change of your lead attorney at any time. Subject to the supervisory role of the lead attorney, your work or parts of it may be performed by other attorneys and legal assistants in the firm. Such delegation may be for the purpose of involving attorneys or legal assistants with special expertise in a given area or for the purpose of providing services on the most efficient and timely basis. Whenever practicable, we will advise you of the names of those attorneys and legal assistants who work on your matters. At a minimum, our detailed billing statements will describe the personnel working on your matters, and the tasks each person has performed.

Attorney Fees and Costs

You will be billed on an hourly basis for work performed by our attorneys and legal assistants; however, when in our professional judgment it is appropriate to do so, we may bill you for time that represents the value of the services being rendered as opposed to the actual time spent on your behalf. The hourly rates used are approved by the firm's Board of Directors after considering a variety of relevant factors, such as the experience of those providing the services and the complexity of the matter. We reserve the right to revise our hourly billing rates at any time. Such revisions will be reflected on your monthly billing statement.

The personnel who we anticipate will initially be involved on your behalf, and each person's respective hourly rate at this time, are as follows:

<u>Attorney</u>	<u>Hourly Rate</u>	<u>With 20% Discount</u>
David J. Shaw	\$385.00	\$308.00
Christopher Bramhall	\$320.00	\$256.00
Elysa Dishman	\$270.00	\$216.00
Drew Clark	\$250.00	\$200.00
Joseph Osmond	\$235.00	\$188.00

We may use other attorneys or legal assistants from the firm as we believe appropriate.

In addition, you will be responsible for payment of any costs, charges and expenses we incur on your behalf, such as photocopy expenses, facsimile charges, overnight delivery and mail expenses, travel expenses, court costs, filing fees, and other expenses, which charges will not be deferred, but will be invoiced and paid regularly. At our discretion, where the costs between first/business class and economy class do not deviate significantly, we will upgrade to first/business class flights if and when doing so will allow us to perform on non-City matters which will then lower the City's ultimate cost of travel (in our experience, attempting to do so in economy class is a futile effort). Any rewards associated with travel, such as SkyMiles, hotel points and the like, will inure to the benefit of the individual who is traveling. Upon our reasonable request, the City will provide official City identification to individual travelers when doing so will result in discounted rates, thus benefiting the City. We will confer with you before we incur any substantial costs of an unusual nature. When costs, charges, or expenses we incur on your behalf are not paid on a timely basis, Kirton McConkie reserves the right to apply all payments received in such manner as we determine, including first to outstanding disbursements and then to fees.

Alternative billing arrangement can be provided for specific matters.

Notwithstanding the foregoing hourly rates, we have agreed to provide twenty (20) hours per month at a forty percent (40%) discount off of a blended hourly rate of three hundred dollars (\$300.00). After applying the forty percent (40%) discount, this means the first twenty (20) hours of work on Administrative Matters only will be at the discounted hourly rate of one hundred eighty dollars (\$180), irrespective of who does the work. This will result in a standard monthly retainer of thirty six hundred dollars (\$3,600.00), which will be on a "use it or lose it" basis, and any time in excess of twenty (20) hours on Administrative Matters will be at the applicable attorney's normal hourly rate less a twenty percent (20%) discount. All work on Other Legal Issues will be at each applicable attorney's normal hourly rate less a twenty percent (20%) courtesy discount.

Billing Arrangements, Terms of Payment and Attorney Liens

We will bill you on a monthly basis for both fees and costs, unless we have a written agreement to the contrary. You agree to make payment within thirty (30) days of receiving our detailed statement. Unpaid fees and disbursements accrue service charges at the rate (non-compounded) of one and one-half per cent (1½%) per month from the beginning of the month in which the unpaid amounts become overdue. (Where fees and disbursements are regularly paid out of a retainer deposit, no service charge will be charged.) If you have questions about your bill or our services, please contact your lead attorney, or if that is not satisfactory, the firm's president.

If your account becomes delinquent, and continues so after written notice from us, we may elect to withdraw from this representation and pursue collection of your account. You agree to pay the costs of collecting the debt, including court costs, filing fees, and reasonable attorney fees. You further agree that Kirton McConkie will have an attorney lien, pursuant to Utah Code Ann. § 38-2-7, on any proceeds resulting in whole or in part from legal services provided to you to secure payment of any amounts you owe Kirton McConkie, and that such lien will attach to any settlement, verdict, report, decision or judgment in your favor. You further agree that any legal action regarding any dispute with respect to this legal engagement must be brought in the courts sitting in the State of Utah and that all firm time associated with such a dispute shall be fully compensable to the firm. You agree to submit to the personal jurisdiction of the Utah courts with respect to such action. Utah law will apply.

Conflicts of Interest

You are aware and acknowledge that Mr. Shaw serves as general counsel to Utah Telecommunications Open Infrastructure Agency ("UTOPIA") and Utah Infrastructure Agency ("UIA"). The City is currently a non-pledging member of UTOPIA. Although this does not create a conflict of interest today, it may rise to the level of a conflict of interest later. In addition, at least one of our attorneys currently represents the Utah Local Governments Trust, a fact which was not known to any of the presenters at the City Council meeting on April 21, 2015. This may soon become an actual conflict of interest for which we will assist the City in finding and obtaining competent legal counsel in the event an actual issue arises. Further, as the largest law firm in the state of Utah, we also represent the Church of Jesus Christ of Latter-day Saints and several large land developers. In the event an actual conflict arises between any of the foregoing parties and the City, we will work in good faith to cooperatively resolve the conflict of interest. In the event no reasonable solution can be found, in such instances we will assist the City in obtaining outside legal counsel for such matters, but we reserve the right, and the City hereby grants consent, for us to continue in our representation of the foregoing parties and will sign such appropriate waivers as are needed for us to comply with the Rules of Professional Conduct applicable to lawyers. Except as stated above, we have performed a search of our firm's attorneys and existing matters,

and we are not aware of any other conflicts of interest in our representation of you with respect to the matters for which we have been engaged to provide legal services.

It is possible that other conflicts of interest may arise in the future. In the event of a conflict of interest, we will immediately inform you of such conflict and take appropriate action within the bounds of our ethical obligations. Further, we reserve the right to withdraw from this engagement if necessary to comply with our ethical obligations. In that regard, it is our policy that our representation of you does not extend to your parents, subsidiaries, employees, officers, directors, shareholders, partners or other affiliates. In addition, we are accepting this engagement with your consent that we may accept any other engagement from an existing or new client, even if the matter requires that we take a position that is or might be directly adverse to you or one of your affiliates, provided that the engagement is not substantially related to the subject matter of any services we have provided to you and will not require disclosure of any of your confidential information. This advance waiver of conflicts includes litigation matters in which we may represent a client who is adverse to you or another member of your corporate family. Further, we reserve the right to withdraw from this engagement if necessary to comply with our ethical obligations.

Termination of Representation

You may terminate our representation of you at any time, with or without cause, by notifying us. If such termination occurs, your papers and property will be returned to you promptly upon request. We may retain copies to the extent permitted by law. We are subject to the Utah Rules of Professional Conduct (the "Rules"), which identify several circumstances which require or allow us to withdraw from representing a client, which include the nonpayment of fees or costs, the misrepresentation or failure to disclose material facts, and conflicts of interest with another client. If we represent you in a lawsuit, our ability to withdraw from the suit may be subject to approval from the appropriate court. Further, subject to our ethical obligations as defined by the Rules, we reserve the right to terminate our representation of you at any time, without cause, by furnishing written notice that we are withdrawing as your counsel. If we find it necessary or advisable to so act, we would assist you as you may desire in locating other counsel, and we would make available to you such documents, pleadings, etc., from our file as you may request.

Retention of Client Files

We will maintain files related to this engagement that we, in our sole professional judgment, determine are necessary for the conduct of this engagement. After the engagement ends, meaning the date of our last bill for services on a particular matter, we will maintain or destroy our files in accordance with our then-existing records retention policy. During the period in which we maintain the files, you may request to examine the files and to copy documents in the files. We request that you do so within one year after the engagement ends, after which we may destroy the files in accordance with our records retention policy.

This letter will comprise our engagement agreement. Therefore, we ask that you review it carefully and then sign and return to us the Acknowledgement of Client. Please contact the undersigned promptly if you have any questions.

Thank you for entrusting your legal work to us. We look forward to serving you.

Warmest regards,

KIRTON McCONKIE



David J. Shaw
Shareholder and Chair of the Government & Utilities
Industry Practice Group

ACKNOWLEDGMENT OF CLIENT

The undersigned agrees to the terms and provisions of this engagement letter.

By: 
Print Name: GARY GYO
Title: MAYOR
Date: 5-5-2015