

**TOWN OF TIMNATH, COLORADO  
RESOLUTION NO. 41, SERIES 2025**

**A RESOLUTION APPROVING THE ENGAGEMENT OF BUTLER SNOW LLP TO  
RENDER AN OBJECTIVE LEGAL OPINION WITH RESPECT TO THE 2025  
ELECTION AND PROPOSED LEASE PURCHASE AGREEMENT AND RELATED  
CERTIFICATES OF PARTICIPATION**

**WHEREAS**, the Town Council of the Town of Timnath ("Town") pursuant to C.R.S. § 31-15-103, has the power to pass resolutions; and

**WHEREAS**, attached hereto as Exhibit A is the engagement letter ("Letter") from Butler Snow LLP; and

**WHEREAS**, the Town would like to retain Butler Snow LLP as bond counsel and special counsel to the Town in connection with the 2025 Election (the "Election") for a sale and use tax increase and related Certificates of Participation (the "COPs") for funding of a Recreation Center and

**WHEREAS**, bond counsel is a recognized expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of COPs; and

**WHEREAS**, the Town Council is familiar with the letter and finds it to be in the best interest of the Town, its residents, and the public.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF TIMNATH, COLORADO AS FOLLOW:**

**Section 1. Approval**

The engagement letter is hereby approved in substantially the form as attached hereto, subject to technical or otherwise non-substantive modifications, as deemed necessary by the Town Manager in consultation with the Legal Counsel, Finance Director, and other applicable staff or consultants.

**INTRODUCED, MOVED, AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF TIMNATH, ON MAY 27, 2025.**



**TOWN OF TIMNATH, COLORADO**

A handwritten signature in blue ink, appearing to read "Robert Axmacher", is written over a horizontal line.

Robert Axmacher, Mayor

**ATTEST:**



Milissa Peters-Garcia, MMC

Town Clerk

**EXHIBIT A**

**ENGAGEMENT LETTER**

# BUTLER | SNOW

May 19, 2025

## VIA E-MAIL

Town of Timnath  
4750 Signal Tree Drive  
Timnath, CO 80547

Attention: Lisa Gagliardi, Finance Director

Re: 2025 Election Advice and Proposed Lease Purchase Agreement and  
related Certificates of Participation

Dear Lisa:

We are pleased to confirm our engagement as special counsel to the Town of Timnath (the "Town") in connection with a TABOR election and in connection with the execution and delivery of a lease purchase agreement and the related issuance of certificates of participation (together with the lease purchase agreement, the "Certificates"). We appreciate your confidence in us and will do our best to continue to merit it. This letter sets forth the role we propose to serve and the responsibilities we propose to assume as special counsel to the Town in connection with the election and the execution and delivery of the Certificates.

## **Personnel**

Dalton Kelley, Maria Harwood, Dean Hirt and Kim Crawford will be principally responsible for the work performed by Butler Snow LLP on your behalf. Where appropriate, certain tasks may be performed by other attorneys or paralegals. At all times, however, Dalton will coordinate, review, and approve all work completed for the Town.

## **Scope of Services**

Special counsel is engaged as a recognized expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of securities such as the Certificates. As your special counsel, we will: assist with the conduct of a TABOR election (the "Election"), include drafting the ordinances or resolutions of the Town setting the ballot title and calling the Election, assisting the Town with the notice that TABOR mandates be mailed to electors, advising the Town on compliance with the limits on the expenditure of public funds to advocate for passage of the ballot measure at the Election, and answering such questions regarding the Election as presented to us by the Town; examine applicable law; consult with the parties to the transaction prior to the execution of the Certificates; prepare

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customary authorizing and operative documents and closing certificates; review a certified transcript of the proceedings; 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 Certificates, the enforceability of the security for the Certificates, and the exclusion of the interest on the Certificates (subject to certain limitations which may be expressed in the opinion) from gross income for federal income tax purposes and for Colorado income tax purposes.

In delivering our opinion as special counsel, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation. Our opinion will be addressed to the Town and will be executed and delivered by us in written form on the date the Certificates are exchanged for their purchase price (the "Closing"). The opinion will be based on facts and law existing as of their date.

We are also being retained by you to act as special counsel to the Town in connection with the preparation of the Official Statement for the public offering of the Certificates (the "Official Statement"). As such, we will provide advice to the Town on the applicable legal standards to be used in preparing the Official Statement and meeting the Town's disclosure responsibilities. At the conclusion of the transaction we will deliver a letter to you stating, substantially, that we have assisted the Town in the preparation of the Official Statement, and that in the course of such assistance, nothing has come to the attention of the attorneys in our firm rendering legal services in connection with our representation which leads us to believe that the Official Statement, as of its date (except for the financial statements, other statistical data and statements of trends and forecasts, and information concerning The Depository Trust Company and its procedures contained in the Official Statement and its Appendices, as to which we express no view), contains any untrue statement of material fact or omits to state any material fact necessary to make the statements in the Official Statement, in light of the circumstances under which they were made, not misleading. If requested, we will also prepare the Certificate Purchase Agreement on behalf of the Town, though this is not normally within the scope of our responsibilities.

Our services as special counsel are limited to those contracted for explicitly herein; the Town's execution of this letter constitutes an acknowledgment of those limitations. Specifically, but without implied limitation, our responsibilities do not include any representation by Butler Snow LLP in connection with any IRS audit, SEC enforcement action or any litigation involving the Town or the Certificates, 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 Certificates) or advice on the investment of funds related to the Certificates. If such services

are requested of us, we suggest that we discuss the nature and extent of those services and an estimate of our fee at the time of the request.

### **Attorney-Client Relationship**

In performing our services as special 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 the Town Council or its individual members. We will work closely with the Town Attorney and will rely on their opinion with regard to specific matters, including pending litigation. 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**

Our firm sometimes represents, in other unrelated transactions, certain of the financial institutions that may be involved in this transaction, such as underwriters, credit enhancers, and banks that act as paying agents or trustees. We do not believe that any of these representations will materially limit or adversely affect our ability to represent the Town in connection with the Certificates, even though such representations may be characterized as adverse under the Colorado Rules of Professional Conduct (the "Rules"). In any event, during the term of our engagement hereunder, we will not accept a representation of any of these parties in any matter in which the Town is an adverse party. However, pursuant to the Rules, we do ask that you consent to our representation of such parties in transactions that do not directly or indirectly involve the Town. Your execution of this letter will signify the Town's prospective consent to such representations in matters unrelated to the Town while we are serving as special counsel hereunder.

### **Fee Arrangement**

Butler Snow will invoice the Town at the conclusion of the Election for our work for the Election, *if the ballot question does not pass at the Election*. Based upon: (i) our current understanding of the Town's anticipated participation in the Election, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the Election, (iv) the skill and expertise required to complete the services properly, and (v) the responsibilities we will assume, our fee for the Election will be \$7,500. Such fees may vary if the Town wishes to expand the scope of our services or if unusual or unforeseen circumstances arise which require a significant increase in our time or our responsibilities. If, at any time, we believe that circumstances require adjustment of our original fee estimate, we will consult with you. *We will not bill the Town for the Election fees if the ballot question is approved at the Election; rather, the Election fees will be included in our special counsel fee for our services in connection with the execution and delivery of the Certificates as set forth below.*

Butler Snow will invoice the Town at Closing for our work as special counsel in connection with the execution and delivery of the Certificates pursuant to this engagement

letter. Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the financing, and (iv) the responsibilities we assume, we estimate that our fee for this engagement will be \$100,000 (which fee includes our services as special counsel to the Town in connection with the Election). Such fee may vary: (i) if the principal amount of the Certificates actually issued increases significantly, (ii) if material changes in the structure of the financing occur, or (iii) if unusual or unforeseen circumstances arise which require a significant increase in our time or our responsibilities, or if there is a significant delay in the financing. If, at any time, we believe that circumstances require an adjustment of our original fee estimate, we will consult with you.

We understand and agree that our fees will be paid at Closing out of proceeds. If the financing is not consummated, we understand and agree that we will not be paid.

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

### **Termination of Engagement**

Our fee for this engagement contemplates compensation for usual and customary services as special counsel as described above. Upon delivery of the opinion and letter discussed above, our responsibilities as special counsel will terminate with respect to this financing, and our representation of the Town and the attorney-client relationship created by this engagement letter will be concluded. Specifically, but without implied limitation, we do not undertake to provide continuing advice to the Town or to any other party to the transaction. Many post-issuance events may affect the Certificates, the tax-exempt status of interest on the Certificates, or liabilities of the parties to the transaction. Such subsequent events might include a change in the project to be financed with proceeds, a failure by one of the parties to comply with its contractual obligations (e.g., rebate requirements, continuing disclosure requirements), an IRS audit, an SEC enforcement action, or a change in federal or state law. Should the Town seek the advice of special 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.

### **Document Retention**

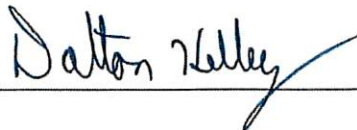
At or within a reasonable period after Closing, we will review the file to determine what materials should be retained as a record of our representation and those that are no longer needed. We will provide you with a copy of the customary transcript of documents after Closing and will return any original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

**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 appreciate this opportunity to serve as your special counsel and look forward to a mutually satisfactory and beneficial relationship.

BUTLER SNOW LLP

By: 

ACCEPTED AND APPROVED:

TOWN OF TIMNATH, COLORADO

By:   
Aaron Adams (May 28, 2025 08:27 MDT)

Title: \_\_\_\_\_

Date: 28/05/2025

28/05/2025

**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.