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July 20, 2026

Sara Frankenstein
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Via E-Mail: RobinL@cityoflead.com

Robin Lucero, City Administrator
City of Lead
801 W Main Street
Lead, SD 57754

Re: Open Meetings and Executive Sessions

Dear Robin:

This letter is to confirm our understanding of the representation Gunderson, Palmer, Nelson & Ashmore, LLP, has undertaken on behalf of the City of Lead, its scope, and the terms of our engagement. Experience has shown a letter such as this is useful both to the client and to the firm to express our respective expectations and undertakings.

We ask you carefully review this letter. If it meets with the City of Lead's approval and understanding of our respective responsibilities, please obtain approval and have the authorized representative for the City of Lead sign the letter, return it to us, and retain a copy for your records.

1. Scope of Engagement. We understand the scope of our engagement is to be limited to advising on open meeting laws and executive sessions and preparing a presentation to the City Council.

In the event that there are any tax questions which arise in relation to this representation, our firm does not provide tax advice; those matters are referred to your accountant. Likewise, questions concerning financial advice are to be referred to your financial advisor.

We understand you will provide us with such factual information and documents as we require to perform these services, will make decisions and determinations as are appropriate to facilitate the rendering of our services, will be available to assist us in the progress of our representation, and will remit payment of our invoices in accordance with the terms set forth below.

2. Progress. As with any professional relationship, close cooperation and frequent communication between us will improve our ability to be of assistance and to complete our tasks. To that end, we will want to discuss regularly the progress of this matter. In addition, it is our

Offices in Rapid City and Pierre, South Dakota

Attorneys licensed to practice in South Dakota, North Dakota, Nebraska and Wyoming

practice to forward to our clients copies of significant correspondence, filings, and other documents so you may keep track of the matter's progress. If you have any questions or concerns as we go along, please bring them up promptly so they may be addressed right away.

The firm recognizes the instantaneous nature of communication, including e-mail, telefax, and voice-mail correspondence. Please understand an instantaneous response is not always possible to a request; however, we will try to respond to your requests via these modes of communication in a timely manner. Note that the same fee structure will also apply to these instant messages as would apply to regular postal correspondence.

Also, with regard to e-mail and telefax correspondence, no guarantee can be made regarding the security of those communications. Please let this caution reflect in your use of those methods.

Finally, the firm will conduct all business on the basis of Mountain time, unless otherwise arranged.

3. Policies and Procedures on Fees and Costs. The Rules of Professional Conduct governing the legal profession require a lawyer's fee be reasonable and they set forth the following factors to be included in considering the reasonableness of a fee:

- the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly;
- the likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer;
- the fee customarily charged in the locality for similar legal services;
- the amount involved and the results obtained;
- the time limitations imposed by the client or by the circumstances;
- the nature and length of the professional relationship with the client;
- the experience, reputation, and ability of the lawyer or lawyers performing the services; and
- whether the fee is fixed or contingent.

Having those considerations in mind, the following sets forth our agreement with respect to fees and expenses in this matter, the payment of disbursement items, the timing and content of billing statements, and the expected payment period.

A. Retainer. No retainer will be required.

B. Fee Basis. We will undertake this representation on the basis of the firm's standard hourly rates for the lawyers and paralegals in effect during the period their respective services are rendered, plus our expenses and disbursements on your behalf, as described below.

Our hourly rates vary, depending on the experience and expertise of the person rendering the service. The firm operates on a fiscal year ending December 31 and our hourly rates are

reviewed and may be adjusted effective January 1 of each year. My current hourly rate for this matter is \$365.00. An hourly rate of \$200.00 will be charged for any and all work done on this matter by paralegals or legal assistants on my behalf. Staffing decisions are made by the attorney in charge of the engagement, with the objective of rendering services to you in the most efficient and cost-effective basis. Sales tax and out-of-pocket expenses are in addition to the fees quoted.

C. Costs and Expenses. During the course of this engagement it will likely become necessary for us to advance funds on your behalf for costs and other disbursements for outside services. It is generally easier for us to do this on minor items rather than ask you to pay a succession of small invoices. Since we will be billing you on a monthly basis and you will be remitting payment within 30 days, we expect to make advances for such invoices that do not exceed \$50.00. Larger items may be forwarded to you with the request you pay them directly. Those advances, plus the firm's out-of-pocket charges for long-distance telephone calls, travel and mileage, filing fees, delivery fees, photocopying, and other like expenses will be included in our monthly invoices and details on those matters will be available on request. We also charge a one-time open file fee of \$100.00 to account for the administrative expenses associated with new clients.

D. Payment of Invoices. Gunderson, Palmer, Nelson & Ashmore, LLP, invoices are due upon receipt by you, and are considered past due 30 days after the date they bear. Late charges will be added at the rate of 1.25 percent per month on an invoice for which the firm has not received payment by the 31st day after the date of the invoice. For your convenience, we accept credit card payment. A 3% surcharge applies to all account payments made by credit card or debit cards that have a credit option. Payments by check or e-check are accepted at no extra cost. The firm reserves the right to decline to perform further services if any account is 60 days or more past due. Subject, of course, to our ethical and professional obligations, you agree the firm may terminate its legal services and withdraw from this engagement in such event, and you will continue to be responsible to immediately pay any outstanding accounts with the firm.

4. Termination of Services. You have the right to terminate our services and representation at any time upon written notice to the firm. Such termination shall not relieve the client of the obligation to pay for all services rendered and disbursements and other charges made or incurred on your behalf through the date of termination.

We reserve the right to withdraw from our representation in our sole discretion. Reasons for withdrawal include but are not limited to the client's failure to honor the terms of the engagement letter, the client's failure to pay amounts billed in a timely manner, the client's failure to cooperate or follow our advice on a material matter, or any fact or circumstance that would, in our view, impair an effective attorney-client relationship or would render our continuing representation unlawful or unethical. If we elect to withdraw from representation, we will be entitled to be paid for all services rendered and disbursements and other charges made or incurred on your behalf through the date of withdrawal.

5. Jurisdiction and Venue of Disputes. This agreement shall be construed in accordance with and governed by the laws of the state of South Dakota without regard to choice of law rules. The parties agree that all actions and proceedings arising in connection with this agreement shall be tried and litigated exclusively in the state and federal courts located in the county of Pennington, state of South Dakota. The aforementioned choice of venue is intended by the parties to be mandatory and not permissive in nature, thereby precluding the possibility of litigation between the parties with respect to or arising out of this agreement in any jurisdiction other than that specified in this section.

6. Entire Agreement. This agreement shall constitute the entire agreement between the parties, and any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party, except to the extent incorporated herein.

7. Modification of Agreement. Any modification of this agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.

8. Conflict. Our firm has in the past and will continue to represent many other companies and individuals in matters not substantially related to this engagement. Accordingly, each client agrees to waive any objection, based upon this engagement, to any current or future representation by the firm of any other individuals, and companies, its respective parent, subsidiaries and affiliates in any matter not substantially related to this representation. The representation may be in litigation, legislative or regulatory matters, or in transactions or otherwise, all regardless of type, importance or severity of that matter or this matter. Of course, we will not accept any representation that is adverse to you in this matter.

We look forward to representing you and thank you for looking to us to assist you. If you have any questions concerning these matters at any time, please let me know promptly. If you ever wish to discuss any matter relating to our legal representation, please call.

Sincerely yours,



Sara Frankenstein

SF:tf

APPROVED AND AGREED TO:

Authorized Representative of City of Lead

Dated: _____