

March 9, 2023

Carl Young
Huerfano County Administrator
Via Email: cyoung@huerfano.us

Re: Wage Audit related to Section 7(k) of the Fair Labor Standards Act

Dear Mr. Young:

We are very pleased that Huerfano County is interested in engaging Employers Council attorneys and staff to perform the services in connection with the above referenced Wage Audit. This letter sets forth the details of our engagement.

Scope of Services

In accordance with the terms and conditions of this engagement letter, Employers Council will review Huerfano County payroll data, records, and any other pertinent information to determine whether the County is in compliance with Section 7(k) of the Fair Labor Standards Act. Employers Council's review is limited to providing review, analysis, and direction related to the matter described above. Employers Council's representation of Huerfano County will conclude upon the issuance of guidance and recommendations by Employers Council attorneys as to whether Huerfano County is in compliance with all obligations.

This engagement letter does not retain Employers Council as representation before any state or federal agency, litigation counsel, appellate counsel, or to represent Huerfano County in any other prior, present or future action(s), or any post settlement action(s), or in any action(s) in any other jurisdiction.

Employers Council Billing

As discussed, this service is an additional service that is not included in your membership with Employers Council. As such, it is considered a for-fee service. Employers Council charges an hourly rate for all attorney time spent on this project. This rate ranges from \$250 to \$350 per hour, based on the hourly rate of the attorney(s) assigned to perform the service. My current rate for work on this project is \$300 per hour. Other Employers Council attorneys may be assigned to perform work on this project, and as such, billing rates may vary, but will not exceed \$350 per hour. Substantive non-attorney time on this project will be billed at \$110 per hour. Our legal fees are based on how much time is spent on your matter and include incidentals for onsite visits and any lodging costs, if necessary. A minimum time of ¼ hour (0.25) is charged for work performed, even though the actual time expended may be less. Work in excess of ¼ hour is billed similarly in increments of ¼ hour (.25). Administrative support time will not be billed.

The initial call and emails regarding our recommendations to move forward with the “Scope of Services” subsection are excluded from the charges. All invoicing in this matter will be through Employers Council Services (“ECS”), a wholly-owned subsidiary of Employers Council. Huerfano County will receive monthly billing statements sent to the undersigned representative for this matter which may not represent the entire cost. Our billings, together with communications with you through telephone conversations, meetings, letters, emails, and facsimiles, serve to inform you of the work being performed on your behalf. However, should you have any questions or comments about fees charged to you, we strongly encourage you to contact us promptly.

Confidential Client Communications

All communications with Employers Council attorneys throughout the duration of the administrative representation should be treated as confidential to maintain attorney-client and/or work product privilege. Please take steps to preserve this privilege by limiting communication about this matter to only those individuals authorized to receive legal advice. Employers Council will make reasonable efforts to prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, any information relating to our review and analysis of the relevant situation.

In the course of our review, we may have occasion to communicate with you or with others by electronic mail. Such communications and any attached documents will not be encrypted. Although interception of such communications by a third party would constitute a violation of federal law, we can offer no assurance that such interception will not occur. You have advised Employers Council that you invite and prefer the use of unencrypted email and fax communications because of their efficiency and convenience and that you are aware of and accept the risks associated with any adverse consequences, which could include the loss of



attorney-client privilege and attorney work product confidentiality and other protections against unauthorized or inadvertent disclosure of, or access to, confidential information. If, however, the sensitivity of any communications warrant additional security measures, you may change this instruction and we can discuss the availability of other reasonable security measures. At this time, Employers Council is offering use of secure file transfer capabilities through Microsoft OneDrive and understands that Huerfano County may request use of the secure file transfer protocol for transfer of employee data between Employers Council and Huerfano County. Employers Council will maintain Huerfano County employee data on Microsoft OneDrive account for the duration of the project and will return and/or destroy all digital files on the completion of the project.

Tax & Financial Advice

Employers Council cannot and will not provide any tax, financial or insurance advice. Any discussions related to taxation, finance, insurance, banking and compliance must involve the member's accountant or other financial, insurance and/or tax expert, and any taxation, finance, banking, insurance and compliance conversations to which Employers Council contributes should not be relied upon. The member is advised to obtain independent and competent tax, financial and insurance advice regarding legal and business matters since legal and business transactions can give rise to tax, financial and insurance consequences. Employers Council has not agreed to render any financial, insurance or tax advice and is not responsible for any advice regarding financing, insurance, compliance, tax matters or preparation of tax returns, disclosures, or other filings, including, but not limited to, U.S. federal, state and local tax returns.

No Guarantee

No law firm or attorneys, including Employers Council and our attorneys, can guarantee the outcome of any subsequent legal dispute. Although Employers Council attorneys may offer a legal opinion regarding any matter in which we represent or advise, we do not and cannot guarantee any particular result. Employers Council makes no express warranties concerning your matter, and hereby expressly disclaims any implied warranties concerning it.

You acknowledge that Employers Council has made no promises about the outcome of the review, including the costs and expenses of subsequent litigation, and that any opinion offered, or budget provided, by Employers Council or any of its attorneys will not constitute a guarantee. As we have discussed, the fees and costs relating to this matter are not predictable. Accordingly, Employers Council has made no commitment to you concerning the maximum fees and costs that will be necessary to complete this administrative representation. Any statement or estimate about this for-fee project that we have given you is just that—an estimate—and does not constitute a commitment to a flat or fixed fee.



Fees on Termination

In the event that Huerfano County terminates the attorney-client relationship, Huerfano County shall pay, and Employers Council shall be entitled to, the fees earned by Employers Council from the amount of hours provided up to the time of termination.

Termination of Representation

We do not foresee any circumstance that would lead to termination of our attorney-client relationship, other than completion of all anticipated tasks reflected in the Scope of Services herein. However, the law allows a client the right to terminate the representation of an attorney or our representation at any time and for any reason. Subject to our giving you reasonable notice for you to arrange alternative counsel, Employers Council reserves the right to discontinue work on pending matters or terminate our attorney-client relationship at any time.

Please note that our representation will terminate at the conclusion of the work anticipated in the “Scope of Services” subsection. Employers Council will not monitor new or changing laws and/or court decisions relevant to this matter as part of your membership after our for-fee representation ends.

All files and/or documents retained by Employers Council related to this matter are and remain your property as a client, except for Employers Council internal and/or administrative documents. You may have access to these materials at any time, and upon termination of our representation, you may withdraw these materials with prior written notice. Employers Council reserves the right to photocopy the files prior to delivery. We reserve the right to destroy all files ten years after the conclusion of this matter without notice unless you request their return. In the event you choose to change representation to any attorney outside Employers Council, a written notice authorizing the transfer of your files must be submitted. We reserve the right to retain photocopies of any of these documents.

If you are in accord with the foregoing, please sign and date this letter and return the signed copy to me via email. Upon receipt of same, Employers Council will counter-sign and provide you with a copy of the fully executed agreement for your records. Employers Council will commence its representation at the time it counter-signs the agreement. Should you have any questions, please do not hesitate to contact me.

Again, we are delighted that you have chosen Employers Council and look forward to being of service to you.



Sincerely,

EMPLOYERS COUNCIL, INC.



By: Alexandra Bellanti, Esq.
Managing Attorney
Affirmative Action Planning and
Wage and Hour Compliance
Services

Acknowledged & Agreed:

Huerfano County

Carl Young
Huerfano County Administrator

Date

EMPLOYERS COUNCIL, INC.

By: Alexandra Bellanti, Esq.

Date

