RESOLUTION NO. 2026-06-1304R

CITY OF TONTITOWN, WASHINGTON COUNTY, ARKANSAS

A RESOLUTION AUTHORIZING THE ENGAGEMENT OF KUTAK ROCK LLP AS SPECIAL COUNSEL TO REPRESENT THE CITY OF TONTITOWN IN AMERICAN ARBITRATION ASSOCIATION CASE NO. 01-26-0003-5091; RATIFYING AND APPROVING THE TERMS OF THE ENGAGEMENT LETTER; AUTHORIZING THE MAYOR TO EXECUTE ALL NECESSARY DOCUMENTS; AUTHORIZING PAYMENT OF LEGAL FEES AND EXPENSES; AND FOR OTHER PURPOSES.

WHEREAS, the City of Tontitown is a party to American Arbitration Association Case No. 01-26-0003-5091 and requires legal representation in connection with that matter; and

WHEREAS, the City has determined that the retention of outside legal counsel possessing experience in complex litigation and arbitration matters is in the best interests of the City and its citizens; and

WHEREAS, Kutak Rock LLP has submitted an engagement letter dated June 10, 2026, outlining the terms and conditions of its representation of the City in such matter; and

WHEREAS, the City Council finds that retaining Kutak Rock LLP as special counsel is necessary and appropriate for the protection of the City's interests.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TONTITOWN, ARKANSAS:

Section 1. Approval of Hiring of Special Counsel

The City Council hereby approves and authorizes the retention of Kutak Rock LLP as special counsel to represent the City of Tontitown in American Arbitration Association Case No. 01-26-0003-5091 and any related proceedings arising therefrom.

Section 2. Approval of Engagement Letter

The Engagement Letter dated June 10, 2026, between Kutak Rock LLP and the City of Tontitown is hereby ratified, approved, and incorporated by reference as though fully set forth herein.

Section 3. Authorization of City Attorney

The City Attorney is hereby authorized and directed to execute the Engagement Letter and any related documents, acknowledgments, authorizations, or amendments necessary to effectuate the representation approved herein. The execution of such documents by the City Attorney shall constitute conclusive evidence of the City's approval thereof.

Section 4. Authorization of Payment

The Mayor, City Clerk-Treasurer, and all appropriate City officials are hereby authorized and directed to process and pay all invoices submitted by Kutak Rock LLP for legal services rendered and costs incurred pursuant to the approved engagement, including attorney fees, arbitration fees, filing fees, expert witness fees, consultant fees, travel expenses, litigation support expenses, and other reasonable costs associated with the representation, subject to the availability of lawfully appropriated funds and compliance with applicable municipal accounting procedures.

Section 5. Ratification of Prior Acts

All actions previously taken by the Mayor, City Attorney, City Staff, and representatives of the City relating to the retention of Kutak Rock LLP, the defense of the arbitration matter, and communications with counsel regarding the same are hereby ratified, approved, and confirmed.

Section 6. Further Authority

The Mayor, City Attorney, City Clerk-Treasurer, and other appropriate City officials are authorized to execute such additional documents and take such further actions as may be necessary or desirable to carry out the intent and purposes of this Resolution.

Section 7. Severability

If any provision of this Resolution is determined to be invalid or unenforceable, such determination shall not affect the validity of the remaining provisions, which shall remain in full force and effect.

Section 8. Effective Date

This Resolution shall become effective immediately upon its passage and approval.

PASSED AND APPROVED on this 16 day of June 2026.

APPROVED:

Angela Russell

Angela Russell, Mayor

ATTEST:

Rhonda Ardemagni

Rhonda Ardemagni, City Clerk-Treasurer

(SEAL)

SPONSORSHIP AND LEGISLATIVE HISTORY

Sponsor (Initiated By): Tim Burress

Motion to Introduce Made By: Mick Wagner

Seconded By: Mike Washkowiak

Adopted / Passed:

Vote: Ayes 5 Nays ___ Abstain ___ Absent 1

This requirement is in addition to, and does not supersede, any authentication, attestations, or signature requirements imposed by state law or other provisions of the Tontitown Municipal Code.

City of Tontitown Official Seal 1909 Tontitown Arkansas

KUTAKROCK

Kutak Rock LLP
5111 West JB Hunt Drive, Suite 300, Rogers, AR 72758-5083
office 479.250.9700

Kyle T. Unser
kyle.unser@kutakrock.com

June 12, 2026

City of Tontitown
C/o Tyler R. Farrar, City Attorney
PO Box 2
Tontitown, AR 72770
trfarrarlaw@gmail.com

Re: ***Client Engagement***

Dear Mr. Farrar:

You have requested the law firm of Kutak Rock LLP (the "Firm") represent the City of Tontitown (the "Client") in connection with American Arbitration Association Case No. 01-26-0003-5091. Our Firm's policy is to write clients a letter outlining the scope of services we anticipate performing, advising who in the Firm will handle the Representation and the financial agreements regarding the Representation. Upon the execution of this letter, our relationship will be governed by the terms of this letter unless we notify you otherwise.

The Firm has established for each of its lawyers and legal assistants a normal hourly billing rate. I will have primary responsibility, and my hourly billing rate is $450.00. These rates are periodically re-evaluated at least annually and are subject to adjustment with prior notice to you. From time to time, I may involve other attorneys within the Firm if particular subject matter expertise is desirable, or more frequently if the involvement of another attorney with a lower rate under my supervision will represent a cost savings for you. In addition to fees for legal services, the Firm's statements will include reimbursement for various out-of-pocket costs such as filing fees, photocopying, and travel expenses. Whenever feasible, these costs will be billed directly to the Client rather than through the Firm. We will work to keep these costs to a minimum and will certainly seek pre-approval from you for any extraordinary expenses.

The Representation will begin when you have signed the acceptance part of this letter. If you have any questions whatsoever concerning any aspect of the Representation, either now or at a later date, please do not hesitate to let us know. Please indicate your acknowledgement and acceptance of the terms of this letter by signing where indicated on the enclosed copy of this letter and returning it to me. We sincerely appreciate the opportunity to be of service.

City of Tontitown
Official Seal
1909
Tontitown, Arkansas

Sincerely,

KUTAK ROCK LLP

Kyle T. Unser

ACCEPTANCE

By executing this acceptance, the undersigned agrees to the Representation by Kutak Rock LLP, upon the terms and conditions outlined above.

Date: June ___, 2026.

By: ______________________________

Tyler R. Farrar, City Attorney

Fees, Disbursements and Billing Arrangements

The following is a general description of our standard practices with regard to fees, disbursements, and billings. It is our policy to send this description to our client at the commencement of our representation and periodically thereafter throughout the course of our representation. **In the absence of a separate agreement specifying any variations, these terms are applicable to any services we provide for you.**

Fees. The amount and basis for computing our legal fees are ordinarily discussed and established with our client before or promptly after commencing our representation. In the absence of a specific agreement with you establishing an alternative method of computing our fees, you will be billed at the firm's hourly rate in effect when the work is performed. Each lawyer and paralegal in our firm has an hourly billing rate and records his or her time in tenths of an hour as the work is performed.

The lawyer principally responsible for your file may assign parts of your work to other lawyers or other personnel in the office. The supervising lawyer will continue to be responsible to you for the entire assignment and will be available to discuss the use of other personnel with you. Our aim is to have your work performed by those attorneys, paralegals or law clerks at the lowest billing rate who have the appropriate experience and expertise for the matter at hand. Our goal is to produce the highest quality of legal work at a reasonable cost to you.

Disbursements. In addition to fees, you are responsible for the following disbursements. In most instances this will be in the form of reimbursement to us, although we may require that certain large disbursement items be billed directly to you for payment.

<u>Photocopying</u> - 20¢ per page if done in our office. If services are performed by a third party vendor, they will be billed at their costs.

<u>Facsimiles</u> - $1.25 per page for local; $1.50 per page for long distance, plus long distance telephone line charges. No charge for in-coming transmissions.

<u>Telephone</u> - There is no charge for local or long distance telephone service.

<u>Postage/Mailing</u> - Actual costs for express/overnight mail delivery services or other mail charges other than regular U. S. Postal Service mail.

<u>Computer-Assisted Legal Research</u> - The actual cost of such usage in the performance of our assigned duties.

<u>Messengers/Couriers</u> – For messengers and couriers you will be responsible for the actual cost.

<u>Providers of Special Services</u> - The actual costs incurred for court reporters, consultants, experts, investigators or other third party providers of special services.

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Court/Government Agency Costs/Fees - The actual cost of all court costs, filing fees, government agency fees and similar fees and charges.

Stenographic/Word Processing Charges - Secretarial staff overtime will be charged to your account only if necessary to meet your special needs that could not be satisfied during normal staff working hours. Such overtime is charged at the rate of $25.00 per hour.

Travel Expenses - All actual expenses incurred for air and ground transportation (mileage), lodging and meals related to travel outside the City of Fayetteville, where the office is located, to perform the assigned work.

Miscellaneous - There may be other out-of-pocket expenses or disbursements not listed above which arise from time to time. Whenever possible we will advise you in advance of their nature and cost to you. In no event will your cost exceed the actual cost of the item or service.

Revision of Hourly Rates and Basis for Disbursements - Our general schedule of hourly rates and the basis of computing disbursement payments are revised periodically. Revisions are implemented without further notice.

Billing Arrangements. You will ordinarily be billed monthly for fees and disbursements. Our billing statement usually provides a chronological description of the services expended on your behalf and the date the service was provided along with the date, description and the amount of each disbursement. Payment is due upon receipt unless other payment arrangements have been made.

If you have any questions concerning anything discussed in this statement or related to the services provided by the firm, please contact us.