

# BRACEWELL

16 DECEMBER 2021

Honorable Mayor and City Council Members  
City of Angleton, Texas  
121 S. Velasco  
Angleton, TX 77515

Dear Honorable Mayor and City Council Members:

We are pleased to set forth in this letter the terms of our engagement as bond and finance counsel for the City of Angleton, Texas (the "City") in connection with its issuance from time to time of bonds and other debt instruments, and such other general finance matters as may be referred to us from time to time. We appreciate the confidence you have shown in Bracewell LLP ("Bracewell" or "Firm") and look forward to this opportunity to represent your interests.

It is our practice to confirm the terms and conditions of our engagements, and that is the purpose of this Engagement Letter and the attached Terms of Engagement. This engagement has been approved by Bracewell subject to the conditions described in this letter.

## Scope of Engagement

We agree that our services as Bond Counsel will include the following services:

1. Attendance at all meetings of the City as required or requested in connection with the planning and authorization of Bonds, including consultation on federal income tax matters;
2. Preparation of the ordinances of the City authorizing issuance of Bonds, together with all other legal documents comprising the transcript of proceedings for authorization and issuance of Bonds and other debt instruments;
3. Preparation of and submission to the Attorney General of Texas of a transcript of proceedings for the Bonds to obtain the approval of the Attorney General and registration of the Bonds by the Comptroller of Public Accounts of Texas;

Julie M. Partain  
Partner

T: +1.214.758.1606 F: +1.800.404.3970  
1445 Ross Avenue, Suite 3800, Dallas, Texas 75202-2724  
julie.partain@bracewell.com bracewell.com

# BRACEWELL

Honorable Mayor and City Council Members

16 DECEMBER 2021

Page 2

4. Preparation and filing of legal documents required under federal income tax law for the Bonds, and the preparation of and delivery to the City of a Letter of Instructions with respect to the federal income tax treatment of Certificate proceeds;
5. Representation of the City at the closing of the sale of the Bonds, including preparation of all closing documents; and
6. If appropriate, the delivery at closing of our approving opinion as to the validity of the Bonds under Texas law, and the exclusion of interest on the Bonds from gross income of the holders under federal income tax law.

The services outlined above do not include such matters as services as disclosure counsel in connection with the sale of the Bonds, work on post closing federal tax or disclosure issues, obtaining IRS rulings or clarifications of federal tax law, presentations to rating agencies or bond insurers, or “blue sky” or securities registration services. We will be pleased to provide legal services in connection with any matters not included in paragraphs 1 through 6 above, but we believe that such additional services, if requested by the City, should be the subject of an addendum to this letter or a separate letter of engagement. Our representation of the City with respect to Bonds will end upon the closing for the Bonds.

This Engagement Letter may be supplemented to reflect new matters or issues that deviate from the current engagement in scope, billing arrangements, complexity, risk, or that otherwise require a substantial change in terms and conditions. The Terms of Engagement, however, will govern all projects and engagements for Client.

## Fees, Expenses and Billing with Respect to Services

Our fees with respect to the Bonds shall be payable at the time of delivery of the Bonds to the purchaser thereof as outlined in Exhibit A. Occasionally, the City may request us to perform miscellaneous legal services not related to a specific issue of the Bonds, including assisting the City with economic development projects or drafting of various agreements. We propose that such services be performed on an hourly basis according to our discount hourly rates charged to other clients and billed monthly.

## Conflicts of Interest: Applicable Standard

For purposes of evaluating conflicts of interests, you acknowledge that Bracewell relies upon the Texas Disciplinary Rules of Professional Conduct. Bracewell may represent other clients that may be

# BRACEWELL

Honorable Mayor and City Council Members

16 DECEMBER 2021

Page 3

adverse to your interests in substantially unrelated matters, and it may represent other clients within the same industry.

## Alternative Dispute Resolution

Disputes arising under or pertaining to this engagement shall be resolved, if possible, by a non-binding mediation conducted by a mutually acceptable mediator at a location acceptable to the City and Bracewell. The mediation process may be initiated by a written request with a list of acceptable mediators and site for the proceeding.

## Conclusion

You are encouraged to discuss the terms of this engagement letter with the independent counsel of your choice. Please call me if you wish to discuss any aspect of this engagement.

If this Engagement Letter, including the provisions in the attached Terms of Engagement, correctly reflects your understanding of the terms and conditions of our representation, please sign the enclosed copy of this letter in the space provided and return one original to Bracewell.

# BRACEWELL

Honorable Mayor and City Council Members  
16 DECEMBER 2021  
Page 4

Thank you again for the opportunity to represent you in this matter.

Very truly yours,

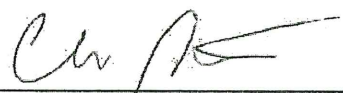
Bracewell LLP

By:   
Name: Julie Melton Partain

## Attachments

AGREED AND ACCEPTED:

CITY OF ANGLETON, TEXAS

By: 

Its: CHRIS WHITAKER, CITY MANAGER

Date: 16 DEC 2021

**BRACEWELL LLP**  
**TERMS OF ENGAGEMENT**

**Introduction**

These are the Terms of Engagement adopted by Bracewell LLP ("Bracewell ") and the addressee of the preceding Engagement Letter ("Client") and referred to in our Engagement Letter as the basis for our representation. Because they are an integral part of our agreement to provide representation, we ask that you review this document carefully and retain it for your files. If you have any questions after reading it, please promptly inform your principal contact at the Firm.

**Client of the Firm**

Because Bracewell has been engaged to represent the Client only, the engagement does not include the Client's family members, affiliated or related entities, or their respective individual officers, directors, partners, equity owners or employees.

Unless otherwise specifically stated in the Engagement Letter, our representation does not include any parent, subsidiary, or affiliated entity; employee, officer, director, shareholder, member or partner of an entity; or, any commonly owned entity. For any trade association, our representation does not include any member of the trade association; and for individuals, our representation does not include any employer, partner, spouse, sibling, or other family member. In the event we are asked to undertake representation of any other entity in connection with this engagement, we will do so only by agreement defined in the Engagement Letter.

**Our Relationship with Others and Conflicts of Interest**

We have performed a conflicts check on the names you provided to Bracewell. Based on a check of these names, and under the applicable standards in the governing rules of professional conduct, we believe Bracewell is free to undertake the Matter. If we identify a conflict after work on this Matter has begun, you agree to use reasonable efforts to help us resolve the conflict to the satisfaction of all parties.

Bracewell accepts this engagement on the understanding that our representation of you will not preclude us from accepting another engagement from a new or existing client provided that (1) such engagement is not substantially related to the subject matter of services we provide to you and (2) such other engagement would not impair the confidentiality of related client information.

**Billing Arrangements and Terms of Payment**

Fees for professional services and expenses are not contingent on the outcome of the project, unless expressly stated in the Engagement Letter.

Bracewell issues invoices on a periodic basis, normally each month, for fees and expenses. Invoices are due on receipt and are considered past due 30 days after receipt.

Clients frequently ask us to estimate the fees and other charges they are likely to incur in connection with a particular matter. Any estimate is based on professional judgment and facts and circumstances that appear at the time. As such, any estimate is subject to the understanding that, unless we agree otherwise in writing, it does not represent a maximum, minimum, or fixed-fee quotation. The ultimate cost frequently is more or less than the amount estimated.

It may be necessary for us to retain third parties, such as consultants, experts and investigators, in order to represent you adequately. In that event, you will be responsible for the prompt payment of the invoices of those third parties. Although we may advance third-party disbursements in reasonable amounts, we will ask you to pay larger third-party invoices (usually those over \$500) directly to the third party providing the services.

If the representation will require a concentrated period of activity, such as a trial, arbitration, or hearing, we reserve the right to require the payment of all amounts owed and the prepayment of the estimated fees and expenses to be incurred in completing the trial, arbitration, or hearing, as well as arbitration fees likely to be assessed. If you fail to pay timely the estimated fees and expenses, we will have the right to cease performing further work and the right to withdraw from the representation, subject to any applicable rules of court or other applicable tribunal.

Although an insurer's payment of defense costs may be applied to billings of the firm, the payment obligation remains with you. Failure of any insurer to pay all or part of the billings for this project does not relieve you from the obligation to pay billings in full and in a timely manner.

#### Matters Involving e-Discovery

Many matters require the handling or production of electronically stored information ("ESI"). In litigation, the rules of civil procedure in federal court, as well as in many other jurisdictions, address the gathering and production of ESI ("e-Discovery"). Failure to comply with the rules governing e-Discovery can subject Client and the Firm to possible discovery sanctions. The Firm has developed an e-Practice Department (the "e-Department") to assist the Firm's clients in litigation matters that involve e-Discovery issues. The e-Department head, a lawyer who specializes in e-Discovery matters ("e-Practice Counsel"), and the e-Practice Project Managers will assist Client in handling e-Discovery projects that may arise in connection with the Firm's representation of Client.

The Firm has identified a number of preferred e-Discovery providers that it can recommend to Client ("Outside Vendors"). Client will make the ultimate decision on which Outside Vendor to retain on a matter. Client will contract directly with and will be invoiced by the Outside Vendor for e-Discovery services. In most cases, the Outside Vendor will handle the collection, processing, hosting, and production of Client's ESI. The Firm's e-Department professionals will serve as a liaison between Client, the Outside Vendor and the Firm's attorneys throughout the process, and the Firm will bill the Client for that time. Unless other arrangements are made between the Firm and Client, the Firm's lawyers will handle the review of Client's ESI before production.

Certain matters involving less than 5GB of ESI can be handled by the Firm internally, rather than by an Outside Vendor. In such matters, and upon prior agreement between Client and the Firm, an Outside Vendor will collect the Client's ESI and deliver to the Firm for processing, hosting, review and production. Client will contract directly with the provider for the collection of the ESI. The Firm will charge the client from \$150 to \$250 per GB for processing, depending on the format of the data, and from \$20 to \$40 per GB per month for hosting/storage, depending on the volume of the data.

It is anticipated that the Firm's e-Department professionals will assist Client in both e-Discovery matters handled by Outside Vendors and those handled by the Firm internally. The Firm will bill Client for the time of these professionals.

The hourly rate of the Firm's e-Practice Counsel is \$450 per hour. The range of hourly rates for the Firm's e-Practice Project Managers is \$225 - \$300 per hour. The hourly billing rates of the Firm's e-Department



### Disposition and Retention of Materials

Bracewell has adopted and implemented an information governance and records management program including a comprehensive policy and records retention schedule. At the close of any matter Bracewell may return Client documents and property, send them to a storage facility for a limited time, or have them destroyed according to our records retention schedule. At Client's request, Client documents and property will be returned to you upon receipt of payment for outstanding fees and costs. Your request must be specific and designate your representative to receive the files. Client is responsible for paying the reasonable cost to retrieve, duplicate and deliver the Client files. Your request for return of Client files must be delivered to Bracewell no later than 120 days after the last substantive service relating to the closed matter. A substantive service does not include audit letter research and preparation, or any other service that does not directly relate to the substantive discharge of a Client engagement.

You agree that Bracewell owns and retains its own files, inclusive of related electronically stored information, pertaining to the engagement. You will not have the right or ability to require us to deliver such files (or copies thereof) to you. Examples of Bracewell files are: firm administrative materials, financial files and documents, time and expense reports, personnel and staffing materials, credit and accounting records, electronic mail correspondence (other than such correspondence which was sent to you by a member of our firm) and internal lawyer's work product, such as drafts, notes, memoranda and legal and factual research, including investigative reports prepared by or for the internal use of lawyers.

It is important for Client to alert Bracewell in advance of special treatment, sensitive information, retention requirements and other unique conditions pertaining to Client files. Client agrees that it will notify Bracewell in a timely, written and specific manner, concerning any requirement for special or unusual handling or attention of its Client files. This includes any statutory or regulatory requirements relating to confidentiality and retention of Client files.

### Choice of Law

Because Bracewell performs legal services in a number of jurisdictions, for consistency and predictability, the Client and Bracewell agrees that the Texas Disciplinary Rules of Professional Conduct (found at [www.texasbar.com](http://www.texasbar.com) or [www.legalethicstexas.com](http://www.legalethicstexas.com)) will govern all issues of legal ethics and professionalism.

### Disclaimer

We cannot guarantee the outcome of any matter. Any expression of our professional judgment regarding your matter or the potential outcome is, of course, limited by our knowledge of the facts and based on the law at the time of expression. It is also subject to any unknown or uncertain factors or conditions beyond our control.

Either at the commencement or during the course of the representation, we may express opinions or beliefs about the matter or various courses of action and the results that might be anticipated. Any expressions on our part concerning the outcome of the representation, or any other legal matters, are based on our professional judgment and are not guarantees.

By signing the Engagement Letter or otherwise indicating your acceptance of the Engagement Letter, you acknowledge that Bracewell has made no promises or guarantees to you about the outcome of the representation, and nothing in these Terms of Engagement shall be construed as such a promise or guarantee.

### Your Cooperation

To enable us to provide effective representation, you agree to: (1) disclose to us fully, accurately and on a timely basis, all facts and documents that are or might be material or that we may request; (2) keep us apprised on a timely basis of all developments relating to the representation that are or might be material; (3) attend meetings, conferences, and other proceedings when it is reasonable to do so; (4) provide updated information for conflicts purposes, if necessary; and (5) cooperate fully with us in all matters relating to the engagement.

### Modification of Our Agreement

The Terms of Engagement reflect our agreement on the terms of all engagements, and are not subject to any oral agreements, modifications, or understandings. Any change in these Terms of Engagement must be made in writing signed by both Bracewell and Client.

### In Conclusion

If you have questions or concerns, at any time, relating to the terms and conditions of this engagement, the services or advice provided by Bracewell, or the fees and expenses reflected in the invoices, please bring them to the attention of your principal contact at our firm, or Bracewell's General Counsel or Managing Partner.