



The Chapman Firm PLLC
3410 Far West Boulevard
Suite 210
Austin, Texas 78731
PHONE: 512.872.3840
FAX: 512.879.9033
chapmanfirmtx.com

January 17, 2023

Via e-mail:

City of Dripping Springs
c/o Michelle Fischer
P.O. Box 384
Dripping Springs, TX 78620
mfischer@cityofdrippingsprings.com

Re: 2023 Rate Schedule

Dear Ms. Fischer:

I am writing to provide you with an update about The Chapman Firm PLLC and to address our relationship moving into 2023. As in prior years, this year has provided opportunities to serve many existing and new clients. We extend thanks to you and all our clients for the trust and reliance you place in us to represent you as legal counsel.

In 2022, the Firm added additional lawyers and paralegals to maintain the highest level of service and attention possible to each of our clients. The Firm expects continued growth in 2023.

As has been the case since the Firm first opened its doors on March 1, 2014, we are committed to providing all of our clients the highest level of service and representation in an efficient and economically reasonable manner. As a small, growing business, the Firm recognizes the economic considerations that drive decisions and activities. We remain cognizant of those considerations both in the way we provide representation to our clients and in the way we operate the Firm. Those considerations constitute some of the Firm's core values and are expressed as our Balanced Approach.

Apart from our growth and success as a Firm, the current economic environment has created challenges. With inflation affecting our cost of service and the cost of living for all Firm employees, we have seen increases in costs for personnel, insurance, technology, office space, and other operational costs which have prompted the Firm to review and revise its rate structure. In order to facilitate our growth, maintain our obligations to our personnel, and sustain our commitment to our clients, the Firm has experienced and expects to see an increase in costs in 2023.

Controlling those costs remains challenging and we strive to find a balance between lean efficiency and robust resources to ensure our service to you remains at a high level. Unlike many other firms, we do not include itemized costs on our invoices to our clients. We feel our rate structure should encompass all overhead and general operating costs. Rather than using additional fees or mark-ups on expenses as a hidden profit center, we absorb virtually all cost into our rates. As a result, the Firm feels

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that a rate increase for 2023 is necessary to allow our firm, and more importantly—our people—to adjust to increased expenses and tightening of budgets.

In accordance with your engagement letter for hourly services with the Firm, this letter serves as a formal notice of adjustment of the Firm's hourly rates for 2023. Attached to this letter you will find a revised rate sheet. Please do not hesitate to contact me if you have any questions or concerns about these new rates.

Also, please keep in mind that the Firm is always willing to discuss alternative fee arrangements such as flat fees, monthly retainers, and contingency or modified contingency agreements. We remain willing and able to structure fees based on your specific needs and any particular matters you bring to us.

Again, thank you for your continued business. Everyone at the Firm genuinely appreciates it. We wish you a successful year.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jeff Chapman', with a stylized flourish extending to the right.

Jeff Chapman

JSC:sal
Enclosures

January 17, 2023

THE CHAPMAN FIRM, PLLC

**2023 FEE SCHEDULE
Reduced Billing Rates**

PARTNERS

Jeffrey S. Chapman	\$450.00
Erik G. Moskowitz	\$415.00
Jerry Negrete	\$385.00

SENIOR COUNSEL

Tiffany N. Leal	\$370.00
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ASSOCIATES

Lyndsey D. Vicknair	\$350.00
Kerrie Vacalis	\$340.00
T. Nathaniel Lombardo	\$300.00
Lama Z. Zakzok	\$285.00

OTHER

Senior Paralegal	\$190.00
Paralegal	\$100.00