

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

February 15, 2019

Via Email: mfischer@cityofdrippingsprings.com

Ms. Michelle Fischer City of Dripping Springs P.O. Box 384 Dripping Springs, TX 78620

Re: 2019 Rate Schedule

Dear Ms. Fischer:

I am writing to provide you an update about The Chapman Firm PLLC and to address our relationship moving into 2019. As you may know, the Firm has experienced significant growth in the past few years. We thank you and all of our clients for trusting us to provide legal services and enabling that growth. In order to maintain the highest level of service and attention possible to each of our clients, the Firm will continue to grow in 2019. We are in the process of hiring additional support staff and attorneys to ensure that we have the capacity, skills, and experience to best serve all of our clients.

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.

In order to facilitate our growth and commitment to our clients, the Firm will realize an increase in costs. 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 markups on expenses as a hidden profit center, we absorb virtually all cost into our rates. As a result, the Firm feels that a modest rate increase for 2019 is necessary.

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 2019. 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.

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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,

Jeff Chapman

JSC:sal Enclosures

THE CHAPMAN FIRM, PLLC

2019 FEE SCHEDULE Reduced Billing Rates

PARTNERS

Jeffrey S. Chapman	\$375.00
Erik G. Moskowitz	\$350.00
William L. Erwin	\$315.00

ASSOCIATES

Jerry M. Negrete	\$285.00
Steven R. Haspel	\$230.00

OTHER

Senior Paralegal	\$160.00
Paralegal	\$100.00