



STAFF REPORT
City of Dripping Springs
PO Box 384
511 Mercer Street
Dripping Springs, TX 78620

Submitted By: Ginger Faught, Deputy City Administrator

Council Meeting Date: August 18, 2026

Agenda Item Wording: Discussion and possible action to approve a Bond Counsel Professional Services Agreement between the City of Dripping Springs and McCall, Parkhurst & Horton L.L.P to obtain professional bond counsel services for possible loan, principal forgiveness, grant, and other financial assistance funding through the Texas Water Development Board (TWDB) and for legal opinions regarding evidences of indebtedness issued by the City for capital financing or refinancing with the TWDB.

Agenda Item Sponsor: Mayor Bill Foulds, Jr.

Summary/Background: On November 21, 2025, the City issued Request for Proposals and Statements of Qualifications No. 2025-18 for bond counsel services. The solicitation closed on December 15, 2025. A four-person evaluation committee reviewed the two responses received using the following selection criteria: experience of personnel (30 points); team members (25 points); references (15 points); and experience with TWDB financing programs (30 points).

At its February 3, 2026 meeting, City Council awarded RFQ No. 2025-18 to McCall, Parkhurst & Horton L.L.P. and authorized the City Administrator to negotiate an agreement with the selected respondent, subject to City Council approval.

Proposed Agreement

The proposed Professional Services Agreement engages McCall, Parkhurst & Horton L.L.P. as the City's bond counsel for services requested and authorized by the City. The Agreement covers customary bond counsel services related to the planning, authorization, approval, issuance, sale, delivery, closing, and post-closing transcript preparation for City obligations and TWDB-related funding instruments, including loans, principal-forgiveness agreements, grant agreements, and other evidences of indebtedness.

For applicable transactions, the firm will assist with the preparation or review of financing and funding documents; authorizing ordinances, resolutions, certificates, tax documents, and closing documents; coordination with the TWDB and transaction participants; required Texas Attorney General approval and Comptroller registration; preparation of the approving legal opinion; and closing transcripts or electronic closing files. The Agreement provides that McCall, Parkhurst & Horton L.L.P. will represent only the City in connection with the contracted services while maintaining its professional responsibility to render an objective bond opinion.

The Agreement identifies Richard S. Donoghue, Jr. as the lead relationship partner, with Angela Avila and Stefano J. Taverna expected to be available in the roles described in the firm's proposal. The City retains the right to authorize services, engage other professionals, and use City-specific deliverables and bond opinions for governmental, financing, audit, regulatory, disclosure, grant, recordkeeping, public-information, and legal purposes.

Fiscal Impact

Bond counsel fees for an issuance of obligations are contingent on the issuance and delivery of the applicable obligations. Except for authorized reimbursable expenses or separately authorized services, no bond counsel fee is earned or payable for a financing that does not close. Fees and reimbursable expenses are governed by the Agreement's compensation schedule and require City approval for any amount exceeding the applicable schedule, cap, or authorized task.

The Agreement also permits reimbursement only for reasonable, actual, necessary, and documented out-of-pocket expenses, subject to its stated limitations and approval requirements. Separately authorized services may be billed at a maximum rate of \$300 per hour unless the City approves a different rate in writing.

Commission Recommendations:

N/A

Recommended Council Actions:

Approval

Attachments:

Draft Bond Counsel Professional Services Agreement

McCall, Parkhurst & Horton L.L.P. Statement of Qualifications