

January 31, 2019

City of Manor, Texas
105 E. Eggleston Street
Manor, Texas 78653

Attention: Thomas M. Bolt
City Manager

Re: Bond Counsel Services for Public Improvement District Special Assessment
Revenue Bonds

Dear Mr. Bolt:

This letter is submitted to state our fees and describe our legal services in performing the duties of bond counsel for the City of Manor, Texas (the “City”) with reference to the City’s proposed creation and implementation from time to time of one or more Public Improvement Districts (the “District” or “Districts”) and the related issuance of bonds secured by assessment of properties in any such Districts or other financing by the City in the Districts (the “Bonds”). For purposes of this letter, the issuance of each series of Bonds secured by the City’s Special Assessment Revenues in a District constitutes a separate project (a “Project”).

Generally, we will perform all usual and necessary legal services as bond counsel in connection with the authorization, issuance, and delivery of the Bonds for a Project.

As regards, the issuance of the Bonds for a Project, specifically, we will prepare and direct the legal proceedings and perform the other necessary legal services with reference to the authorization, issuance, and delivery of the Bonds, including the following:

1. Prepare all resolutions, orders, notices and other instruments pursuant to which the Bonds will be authorized, issued, delivered and secured, including election proceedings, if necessary, in cooperation and upon consultation with the City Council, City Attorney and other City staff, their consultants, and other legal and financial advisors of the City.
2. Attend meetings of the City with reference to the authorization and issuance of the Bonds to the extent required or requested.
3. Cooperate with the City and all other interested parties in the sale of the Bonds to the purchasers.
4. Submit bond transcript to the Attorney General for approval.

5. Supervise the execution of the Bonds and the delivery thereof to the purchasers.
6. Prepare documents for closings, provide instructions and advice for closings, and attend closings.
7. When the Bonds are issued, we will give our approving opinion covering the validity of the Bonds and if issued as tax-exempt obligations, the exclusion of interest from federal income taxes, it being understood that the approving opinion will be fully acceptable nationally in regular commercial investment banking bond marketing channels.

The fee covering the legal services of this firm, as bond counsel, for the above described work on a District and the issuance of the Bonds for a Project, shall be based on 2% of the par amount of the Bonds.

Also, we would expect to be reimbursed for our actual client costs advanced (expenses) reasonably and necessarily incurred in connection with the authorization, issuance, and delivery of such Bonds, *i.e.*, travel, photocopies, courier, Form 8038-G filing and the Attorney General's filing fee. A list of our current costs for expenses is enclosed.

In addition, upon your request, the firm will provide assistance and advice to the City in connection with the creation of a District, the establishment of a financing structure, and other related aspects of the Project which may need attention before the issuance of bonds is initiated ("Pre-Bond Services").

Also, following the creation of the District, imposition of a PID assessment and the issuance of bonds, the Firm is prepared to assist the City, as requested from time to time, with the preparation and review of the annual updates to the Service and Assessment Plans for such Districts as may be requested by the City.

Our rates for Pre-Bond Services and for services provided in connection with the annual updates, which typically are reimbursed to the City by the Developer through a funding agreement or are paid from administrative funds established as part of a bond issuance, are set out below:

David Méndez, Partner	\$420/hour
Gregory Miller, Associate	\$300/hour
Irv Finkel, Tax Lawyer	\$300/hour
Elizabeth Myers, Legal Assistant	\$180/hour
Esther Moreno, Legal Assistant	\$180/hour
Denise Anderson, Legal Assistant	\$180/hour

City of Manor, Texas

January 31, 2019

Page 3

The foregoing legal services as special bond counsel do not include any direct responsibility for the "disclosure obligations" owed to the investing public under the federal securities laws and the various state securities laws, and this is to state that our engagement is not that broad. We will, however, provide assistance to the City in identifying what the City's responsibility is in meeting its continuing disclosure responsibilities.

The fees discussed do not apply to litigation work in reference to the Bonds. All fees in respect to litigation shall be agreed upon separately between the City and our firm.

In a typical Project, it is anticipated that your financial advisor or the Underwriter will be responsible for the preparation of an Official Statement or any other disclosure document with respect to the Bonds. While we are not responsible for performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document, our responsibility will include the preparation or review of any description within the Official Statement of: (i) federal law pertinent to the validity of the Bonds and the tax treatment of interest paid on the Bonds, (ii) the terms of the Bonds, and (iii) our opinion.

Our fees and expenses in connection with the issuance of the Bonds for a Project will be payable at the time of the delivery of and payment for the Bonds, but our fees for these services are wholly contingent upon actual issuance of the Bonds. Fees for work performed on annual updates for Projects are payable on a monthly fee basis and will be invoiced separately to the City. The City may also terminate the agreement with bond counsel at any time by providing notice in writing at least thirty days prior to the effective date of termination.

If the arrangement proposed is satisfactory, please indicate the City's acceptance by signing the acceptance clause below and return one copy of this letter to me.

Respectfully submitted,

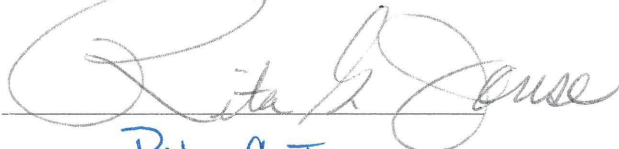
BICKERSTAFF HEATH DELGADO ACOSTA LLP

A handwritten signature in black ink, appearing to read 'D. Méndez', written in a cursive style.

David Méndez

ACCEPTED this, the 6th day of February, 2019:

CITY OF MANOR, TEXAS

A handwritten signature in blue ink that reads "Rita G. Jonse". The signature is written in a cursive style and is positioned above a horizontal line.

Name: Rita G. Jonse

Title: Mayor

EXHIBIT A – Client Costs Advanced

Bickerstaff Heath Delgado Acosta LLP

The firm incurs expenses on behalf of clients only when required by the legal needs of the clients. Some cases or matters require extensive use of outside copy facilities, and other cases may not be so paper-intensive. Standard services handled within the firm are not charged, and client specific expenses are billed to the client needing those services. An explanation of the billing structure is as follows:

Not Charged

Secretarial and word processing time, routine postage, file setup, file storage, local or ordinary long distance charges, fax charges, and computerized legal research data charges.

Delivery Services

Outside delivery services are used for pickup and delivery of documents to the client as well as to courts, agencies, and opposing parties. Outside delivery fees are charged to the client at the rate charged to the firm. Overnight delivery services are also charged at the rate charged to the firm. Firm Office Services Department personnel may provide delivery service in urgent situations and charges for such in-house service will not exceed the charge that would be made by an outside service in a similar situation.

Postage

Our postal equipment calculates exact U.S. postage for all sizes and weights of posted material. The rate charged for postage is the same as the amount affixed to the material that is mailed. We will not charge clients for postage on routine correspondence; however, the cost of large-volume mail, certified mail, or other additional mail services will be charged to the client.

Copies and Prints

Our standard rate for black and white copies and prints made by firm personnel is \$0.15 per page. Color copies and prints are charged at a standard rate of \$0.55 per page. These charges cover paper, equipment costs, and other supplies. If savings can be realized within the required time frame by sending copy jobs to subcontractors, the firm uses only qualified legal services copiers and the cost charged to the client is the same as the amount billed to the firm.

Phone Charges

Only charges for conference calls or international calls are charged, and charges are billed at the same amount billed to the firm by the outside provider.

Travel

Attorney and other timekeeper time spent traveling on behalf of a client is billed to the client. Hotel, meals, local transportation, and similar expenses are charged based on receipts and travel expense forms submitted by the attorney. Documentation is available to the client if requested.

Maps

Maps produced in conjunction with a project will be billed at \$50 for each 34 x 44 inch map and \$20 for each smaller map, plus cost (time fees) for preparation.

Other Expenses

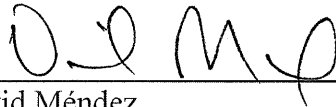
Expenses incurred with outside providers in connection with the client's legal services will be paid by the client directly to the outside provider unless specifically arranged in advance. If the firm agrees to pay outside providers, the cost charged to the client is the same as the amount billed to the firm. Examples of such charges include: court reporter fees, filing fees, newspaper charges for publication notices, expert witness fees, consultants and other similar expenses.

Exhibit B – Verification Required by Texas Government Code Chapter 2270
Bickerstaff Heath Delgado Acosta LLP

By signing below, Bickerstaff Heath Delgado Acosta LLP hereby verifies the following:

1. The Firm does not boycott Israel; and
2. The Firm will not boycott Israel during the term of this Engagement Agreement.

SIGNED BY:



David Méndez
January 31, 2019

This Verification is incorporated and made a part of the Engagement Agreement between Bickerstaff Heath Delgado Acosta LLP and the City of Manor, Texas.