

# ENGAGEMENT AGREEMENT



## Lewis & Ellis, Inc.

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**Client Name:** Webb County, TX **No. 0183**

**Work Order (if assigned):** **No. 1601**

**Client Contact:** Cynthia Mares

Lewis & Ellis, Inc. commits to do the following described work for you. We will report to the person named as the Client Contact unless directed otherwise.

### **DESCRIPTION OF ASSIGNMENT:** OPEB valuation and CAFR disclosures:

Development of the GASB OPEB liabilities (ARC, OPEB Cost, Net OPEB Obligation, etc.) and all required disclosures under Statement 45 for the fiscal year. Up to five hard copies of the report delivered to client. Report will include a comparison of results with prior valuation report and a 25-year projection of

- covered employees and retirees,
- expected claims and expenses
- expected retiree contributions
- net pay-as-you-go costs

### **ESTIMATED TIME OF COMPLETION**

Draft report with preliminary projections to year-end will be delivered on August 31, or 4 weeks after the receipt of the information in our initial data request, if later. Final report with all GASB disclosures will be available after September 30, no later than one week following our receipt of the employer and retiree contribution totals for fiscal 2016.

### **HOURLY RATES (FOR OTHER SERVICES)**

Project Manager	\$370
Staff	\$170

### **FIRM COST (covers normal direct expenses (phone, photocopying and postage)):**

FY2016 report and disclosures

- Draft report \$9,000.
- Final report with disclosures \$1,000.



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## **Representations**

- CLIENT represents that it is a Texas local government in good standing and has the power and authority to carry on the business in which it is engaged and to perform its obligations under this agreement.
- L&E represents that it is a Texas Corporation in good standing and has the authority to carry on the business in which it is engaged and to perform its obligations under this agreement.

## **Terms of Engagement for Webb County ("the Client")**

- The Client agrees to pay the professional fees for the services of L&E under this agreement as specified above. Payment is due within 30 days of delivery of invoice.
- The Client agrees to pay a retainer of \$NONE before services commence.
- The Client or L&E may terminate this agreement for their convenience at any time by giving at least 10 days notice in writing to the other party, but if termination is initiated by Client, the Client agrees to pay L&E all fees and out-of-pocket expenses incurred by L&E before such termination at established hourly rates.
- L&E shall provide its services under this Agreement with the same degree of care, skill and diligence as is ordinarily provided under similar circumstances for similar assignments. L&E warrants and represents that it has the capability, experience, available personnel, and means required to perform the services contemplated by this Agreement. Assignment will be performed using personnel qualified and to perform the work requested by the Client. Client retains the right to report to L&E any unsatisfactory performance of personnel for appropriate corrective action.
- In performing L&E's services, L&E may rely upon information furnished to L&E by or on behalf of the Client, and/or upon information available from Client or any other third parties stipulated by the Client. L&E assumes no responsibility for the accuracy or completeness of such information and shall have no obligation to independently verify the accuracy of such information. The Client represents and warrants that the information provided to L&E by or on behalf of the Client is accurate and complete in all material respects.
- Any written statements, opinions, conclusions, or other information ("a Report") furnished by L&E to the Client under this agreement are for the exclusive use of the Client. Any other use or distribution to a third-party of a Report are subject to the following conditions:
  - You notify L&E promptly of any such Report distributed;
  - The Report provided is an entire and complete copy thereof;
  - The Client advises each third party to whom a copy of a Report is given that such party may at the Client's expense contact L&E to discuss the Report.
  - The Client and each third party agree not to distribute or make reference to the Report to any other party without L&E's prior written consent.



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- Notwithstanding anything stated above, in the event Client is required or requested to disclose Report in connection with any judicial or administrative proceedings (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigation demand or similar process) including, without limitation, a request to Client pursuant to the Texas Public Information Act, Client will in advance of such disclosure provide L&E with prompt notice of such request to provide an opportunity to object. L&E agrees to cooperate with the Client to the extent it may reasonably seek to limit such disclosure.
- If third-party reliance is necessary, it is not guaranteed to be provided under this agreement. If reliance is granted by L&E, additional fees are likely to be charged. The Client agrees neither to refer to L&E nor include a Report in any proxy statement or other stockholder communication or in any registration statement or offering material prepared in connection with the public offering or private placement of any security.
- The Client agrees to limit the maximum amount of consequential damages for which L&E could be held liable or responsible to it, as a result of the negligent performance of services hereunder by L&E, to double the amount of professional fees and expenses charged by it to the Client for such services. To the extent allowed by law, the Client further agrees to indemnify and hold L&E as well as its officers, directors, employees, and shareholders harmless from and against any loss, liabilities, demands, claims, actions, and expenses (including any attorney's fees) incurred by L&E, as a result of any litigation or claim initiated or filed against L&E by any person other than the Client and arising from any services hereinafter performed or opinions hereinafter rendered by L&E hereunder, unless L&E provided written authorization to the Client for the disclosure to such third party of such L&E services or opinions. This limited liability, indemnification, and hold harmless provision shall survive termination of this Agreement and shall be binding on the parties' successors and assigns.

### **Additional Terms**

- Neither party may assign any right or obligation under this Agreement without the prior written consent of the other party to the Agreement.
- This agreement shall not be amended, altered, or changed except in writing and signed by both parties.
- In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement, which shall remain in full force and effect enforceable in accordance with its terms.
- This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof, and supersedes all proposals or prior agreements, oral or written, and all other communications, oral or written, and all other communication.



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**OFFERED BY :**

**LEWIS & ELLIS, INC.**

**Date:** July 28, 2016

**Signature:** *Steven D. Bryson*

**Printed Name:** Steven D. Bryson

**ACCEPTED BY:**

**Webb County**

**Date:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_