

July 12, 2023

Honorable Tano E. Tijerina
County Judge
Webb County, Texas
1000 Houston Street
Laredo, Texas 78040

Re: Webb County – Bond Counsel in Relation to Special Districts Representation

Dear Judge Tijerina:

This letter confirms that McCall, Parkhurst & Horton L.L.P. will represent Webb County, Texas (the *County*), as bond counsel with respect to special districts, including the proposed Legacy Public Improvement District, and legal matters related thereto. Services provided by our firm to the County in such representative capacity is herein referred to as the *Representation*; the substance of such Representation is herein referred to as the *Matter*.

Terms of Engagement

Our Representation shall commence upon the date of your execution of this letter. It is understood and agreed that our engagement is limited to the Representation, the terms of which are governed by the terms of this letter. We are not being retained as general counsel to the County. Our acceptance of this engagement does not imply any undertaking to provide legal services other than those set forth in this letter or to provide legal advice after the completion of the Representation.

The Scope of the Representation

As lawyers, we undertake to provide representation and advice on the legal matters for which we are engaged. It is important for our clients to have a clear understanding of the legal services that we have agreed to provide. Thus, if there are any questions about the scope of the Representation, the County should raise those questions promptly, so that we may resolve them at the outset of the Representation.

Any expressions on our part concerning the outcome of the Representation, or any other legal matters, are based on our professional judgment and are not guarantees. Such expressions, even when described as opinions, are necessarily limited by our knowledge of the facts and are based on our views of the state of the law at the time they are expressed.

Upon accepting this engagement to represent the County, McCall, Parkhurst & Horton L.L.P. agrees to do the following: (1) provide legal counsel in accordance with these terms of engagement and in reliance upon information and guidance provided by the County, its employees and officials, and its affiliates; and (2) keep the County and its designated representative reasonably informed about the status and progress of the Representation. Particularly, with respect to our engagement, we expect to perform, or have been performing on your behalf, the following duties:

600 Congress Ave.
Suite 2150
Austin, Texas 78701
T 512.478.3805
F 512.472.0871

717 North Harwood
Suite 900
Dallas, Texas 75201
T 214.754.9200
F 214.754.9250

Two Allen Center
1200 Smith Street, Suite 1550
Houston, Texas 77002
T 713.980.0500
F 713.980.0510

112 E. Pecan Street
Suite 1310
San Antonio, Texas 78205
T 210.225.2800
F 210.225.2984



- (1) Attend meetings with County staff and its consultants, developers and their representatives, and the Commissioners Court, as requested by the County or its consultants;
- (2) Draft or review a resolution accepting a developer's petition to create a public improvement district;
- (3) Draft or review a notice of public improvement district creation hearing and coordinate the mailing and publication of such notice;
- (4) Draft or review a resolution creating a public improvement district;
- (5) Coordinate for filing of any resolution creating a public improvement district with the Webb County Clerk;
- (6) Draft or review a resolution calling public hearing on an assessment order and coordinate mailing and publication of notice of hearing;
- (7) Draft or review the assessment order to be adopted by Commissioners Court;
- (8) Coordinate filing of any assessment order in Webb County Real Property Records;
- (9) Review Project Development Agreement to be entered into between County and Developer;
- (10) Draft documents as may be necessary for the issuance of debt, and review and provide comments on other documents drafted by other parties that are necessary or appropriate to the creation of a public improvement district or the issuance of debt, coordinate the authorization and execution of such documents; and
- (11) Review and advise County on legal issues relating to the creation and structure of a public improvement district or bonds issued or to be issued by a public improvement district.

Our duties in this engagement are limited to those expressly set forth above. Unless we are separately engaged in writing to perform other services, our duties do not include any other services, including the following:

- (1) Reviewing any procurement requirements, procurement documents, or preparation or review of requests for bids or proposals or preparation or review of construction documents;
- (2) Drafting any real estate documents, including but not limited to any deeds, deeds of trust, leases, easements, rights-of-way, etc.;
- (3) Assisting in the preparation or review of financial disclosure with respect to the County, the developer or contemplated projects;
- (4) Assisting in obtaining any approval from any other state or federal agency, including without limitation the Texas Commission on Environmental Quality, or.
- (5) Drafting state constitutional or legislative amendments.
- (6) Pursuing any litigation;



- (7) Making an investigation or expressing any view as to the creditworthiness of a developer or a project or the viability of a project;
- (8) Representing the County in any examination or inquiry by any state or federal agency or authority.
- (9) Addressing any other matter not specifically set forth above.

To enable us to provide effective representation, the County will need to do the following: (1) disclose to us, fully and accurately and on a timely basis, all facts and documents that are or might be material or that we may request, (2) keep us apprised on a timely basis of all developments relating to the Representation that are or might be material, (3) attend meetings, conferences, and other proceedings when it is reasonable to do so, and (4) otherwise cooperate fully with us.

Under this letter, the person or entities that we represent are the ones herein identified and our attorney-client relationship does not include any related persons or entities (including individuals that are elected to the Commissioners Court or are County employees). Accordingly, it is understood that we may represent another client with interests adverse to any such affiliated or related persons or entities without first obtaining the County's consent. It is further agreed that the attorney-client relationship terminates upon our completion of the services for which we have been retained in the Representation.

Our Legal Fees and Other Charges

As Bond Counsel, we shall charge a flat development agreement structure and review fee of \$15,000 per public improvement district, which fee shall be due and payable prior to the County's approval and execution of a development agreement, and a flat public improvement district creation fee of \$35,000 per public improvement district, which fee shall be due and payable within 10 days after the County's formal action creating such public improvement district. The foregoing fees are to be paid by the developer of any such public improvement district, and may be reimbursed to the developer upon the issuance of public improvement district bonds. Upon closing for each series of public improvement district bonds, Bond Counsel shall be paid a fee equal to 2.50% of the principal amount thereof for the first \$20,000,000 of such issuance, and 2.00% of the principal amount thereof thereafter, and reimbursed for the statutory Attorney General fee (which is 1/10th of 1% of the principal amount of bonds issued—subject to a maximum of \$9,500) and additional out of pocket expenses expected to be no more than \$6,500 per issuance, which fee and expenses shall only be payable out of the proceeds of said public improvement district bonds.

Conflicts of Interest

Before accepting the Representation, we have undertaken reasonable and customary efforts to determine whether there are any potential conflicts of interest that would bar our firm from representing the County. Based on the information available to us to date, we are not aware of any potential disqualification. We reviewed that issue in accordance with the rules of professional responsibility adopted in Texas.

Our law firm represents many political subdivisions and financial institutions. In some instances, the applicable rules of professional conduct may limit our ability to represent clients with conflicting or potentially conflicting interests. Those rules of conduct often allow us to exercise our independent judgment in determining whether our relationship with one client prevents us from representing another. In other situations, we may be permitted to represent a client only if the other clients consent to that representation.



It is understood and agreed that we may represent current or future clients (including any parties adverse to the County) in any matters that are not substantially related to the Matter, even if the interests of such clients in the other matters are directly adverse to the County, except for matters that involve actual, potential or threatened litigation, arbitration, mediation, or similar matters.

Communications

We have available Internet communication procedures that allow our attorneys to use e-mail for client communications in many instances. Accordingly, unless the County specifically directs us otherwise, we may use unencrypted e-mail sent on the Internet to communicate with the County and to send documents we have prepared or reviewed.

Acceptance

Following the County's receipt of this letter, any acceptance by the County of any legal services described herein performed by us (whether prior to or after such receipt) will constitute and will be deemed an acceptance of and consent to the terms and conditions set forth in this letter.

Termination

At any time, the County may, with or without cause, terminate the Representation by notifying us of the County's intention to do so.

We are subject to the codes or rules of professional responsibility for the jurisdictions in which we practice. There are several types of conduct or circumstances that could result in our withdrawing from representing a client, including, for example, the following: non-payment of fees or charges; misrepresentation or failure to disclose material facts; fraudulent or criminal conduct; action contrary to our advice; and conflict of interest with another client. The right of McCall, Parkhurst & Horton L.L.P. to withdraw in such circumstances is in addition to any rights created by statute or recognized by the governing rules of professional conduct. Further, a failure by the County to meet any obligations under these terms of engagement shall entitle us to terminate the Representation. We try to identify in advance and discuss with our clients any situation that may lead to our withdrawal.

Termination of the Representation will not affect the County's obligation to pay for legal services rendered and expenses and charges incurred before termination, as well as additional services and charges incurred in connection with an orderly transition of the Matter. Further, in the event of termination of the Representation, the County will take all steps necessary to release McCall, Parkhurst & Horton L.L.P. of any further obligations in the Representation or the Matter, including without limitation the execution of any documents necessary to effectuate our withdrawal from the Representation or the Matter.

Document Retention

At the close of the Matter, we send our files in that matter to a storage facility for storage at our expense. The attorney closing the file determines how long we will maintain the files in storage. After that time, we will destroy the documents in the stored files.



At the conclusion of the Representation, we return to the client any documents that are specifically requested to be returned. As to any documents so returned, we may elect to keep a copy of the documents in our stored files.

Standards of Professionalism and Attorney Complaint Information

Since attorneys who are members of the State Bar of Texas will be involved in this Matter, please note the contents of the Texas Lawyer's Creed, a copy of which is attached. Please further note that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. A brochure entitled Attorney Complaint Information is available at all of our Texas offices and is likewise available upon request. A client that has any questions about State Bar's disciplinary process should call the Office of the General Counsel of the State Bar of Texas at 1 800 932 1900 toll free.

Governing Law

This letter, our attorney-client relationship, our engagement as counsel and any disputes arising out of or relating to any of the foregoing or to our bills, fees and/or other charges shall be governed by and construed in accordance with the laws of the State of Texas (exclusive of its conflict of laws principles).

Conclusion

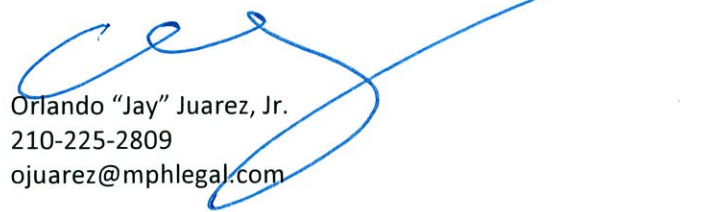
This letter constitutes the entire terms of the engagement of McCall, Parkhurst & Horton L.L.P. in the Representation. These written terms of engagement are not subject to any oral agreements or understandings, and they can be modified only by further written agreement signed by the County and McCall, Parkhurst & Horton L.L.P. Unless expressly stated in these terms of engagement, no obligation or undertaking shall be implied on the part of the County or McCall, Parkhurst & Horton L.L.P.

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Please carefully review this letter. If acceptable, please sign and return the enclosed copy of this letter so that we may commence the Representation.

Very truly yours,



Orlando "Jay" Juarez, Jr.
210-225-2809
ojuarez@mphlegal.com

Webb County Agrees to and Accepts this Letter:

Webb County

By: _____

Name: _____

Title: _____

THE TEXAS LAWYER'S CREED — A MANDATE FOR PROFESSIONALISM

The Texas Supreme Court and the Texas Court of Criminal Appeals adopted this Creed, with the requirement that lawyers advise their clients of its contents when undertaking representation.

I am a lawyer; I am entrusted by the People of Texas to preserve and improve our legal system. I am licensed by the Supreme Court of Texas. I must therefore abide by the Texas Disciplinary Rules of Professional Conduct, but I know that Professionalism requires more than merely avoiding the violation of laws and rules. I am committed to this Creed for no other reason than it is right.

I. OUR LEGAL SYSTEM. A lawyer owes to the administration of justice, personal dignity, integrity, and independence. A lawyer should always adhere to the highest principles of professionalism. I am passionately proud of my profession. Therefore, "My word is my bond." I am responsible to assure that all persons have access to competent representation regardless of wealth or position in life. I commit myself to an adequate and effective pro bono program. I am obligated to educate my clients, the public, and other lawyers regarding the spirit and letter of this Creed. I will always be conscious of my duty to the judicial system.

II. LAWYER TO CLIENT. A lawyer owes to a client allegiance, learning, skill, and industry. A lawyer shall employ all appropriate means to protect and advance the client's legitimate rights, claims, and objectives. A lawyer shall not be deterred by any real or imagined fear of judicial disfavor or public unpopularity, nor be influenced by mere self-interest. I will advise my client of the contents of this Creed when undertaking representation. I will endeavor to achieve my client's lawful objectives in legal transactions and in litigation as quickly and economically as possible. I will be loyal and committed to my client's lawful objectives, but I will not permit that loyalty and commitment to interfere with my duty to provide objective and independent advice. I will advise my client that civility and courtesy are expected and are not a sign of weakness. I will advise my client of proper and expected behavior. I will treat adverse parties and witnesses with fairness and due consideration. A client has no right to demand that I abuse anyone or indulge in any offensive conduct. I will advise my client that we will not pursue conduct which is intended primarily to harass or drain the financial resources of the opposing party. I will advise my client that we will not pursue tactics which are intended primarily for delay. I will advise my client that we will not pursue any course of action which is without merit. I will advise my client that I reserve the right to determine whether to grant accommodations to opposing counsel in all matters that do not adversely affect my client's lawful objectives. A client has no right to instruct me to refuse reasonable requests made by other counsel. I will advise my client regarding the availability of mediation, arbitration, and other alternative methods of resolving and settling disputes.

III. LAWYER TO LAWYER. A lawyer owes to opposing counsel, in the conduct of legal transactions and the pursuit of litigation, courtesy, candor, cooperation, and scrupulous observance of all agreements and mutual understandings. Ill feelings between clients shall not influence a lawyer's conduct, attitude, or demeanor toward opposing counsel. A lawyer shall not engage in unprofessional conduct in retaliation against other unprofessional conduct. I will be courteous, civil, and prompt in oral and written communications. I will not quarrel over matters of form or style, but I will concentrate on matters of substance. I will identify for other counsel or parties all changes I have made in documents submitted for review. I will attempt to prepare documents which correctly reflect the agreement of the parties. I will not include provisions which have not been agreed upon or omit provisions which are necessary to reflect the agreement of the parties. I will notify opposing counsel, and, if appropriate, the Court or other persons, as soon as practicable, when hearings, depositions,

meetings, conferences or closings are canceled. I will agree to reasonable requests for extensions of time and for waiver of procedural formalities, provided legitimate objectives of my client will not be adversely affected. I will not serve motions or pleadings in any manner that unfairly limits another party's opportunity to respond. I will attempt to resolve by agreement my objections to matters contained in pleadings and discovery requests and responses. I can disagree without being disagreeable. I recognize that effective representation does not require antagonistic or obnoxious behavior. I will neither encourage nor knowingly permit my client or anyone under my control to do anything which would be unethical or improper if done by me. I will not, without good cause, attribute bad motives or unethical conduct to opposing counsel nor bring the profession into disrepute by unfounded accusations of impropriety. I will avoid disparaging personal remarks or acrimony towards opposing counsel, parties and witnesses. I will not be influenced by any ill feeling between clients. I will abstain from any allusion to personal peculiarities or idiosyncrasies of opposing counsel. I will not take advantage, by causing any default or dismissal to be rendered, when I know the identity of an opposing counsel, without first inquiring about that counsel's intention to proceed. I will promptly submit orders to the Court. I will deliver copies to opposing counsel before or contemporaneously with submission to the court. I will promptly approve the form of orders which accurately reflect the substance of the rulings of the Court. I will not attempt to gain an unfair advantage by sending the Court or its staff correspondence or copies of correspondence. I will not arbitrarily schedule a deposition, Court appearance, or hearing until a good faith effort has been made to schedule it by agreement. I will readily stipulate to undisputed facts in order to avoid needless costs or inconvenience for any party. I will refrain from excessive and abusive discovery. I will comply with all reasonable discovery requests. I will not resist discovery requests which are not objectionable. I will not make objections nor give instructions to a witness for the purpose of delaying or obstructing the discovery process. I will encourage witnesses to respond to all deposition questions which are reasonably understandable. I will neither encourage nor permit my witness to quibble about words where their meaning is reasonably clear. I will not seek Court intervention to obtain discovery which is clearly improper and not discoverable. I will not seek sanctions or disqualification unless it is necessary for protection of my client's lawful objectives or is fully justified by the circumstances.

IV. LAWYER AND JUDGE. Lawyers and judges owe each other respect, diligence, candor, punctuality, and protection against unjust and improper criticism and attack. Lawyers and judges are equally responsible to protect the dignity and independence of the Court and the profession. I will always recognize that the position of judge is the symbol of both the judicial system and administration of justice. I will refrain from conduct that degrades this symbol. I will conduct myself in court in a professional manner and demonstrate my respect for the Court and the law. I will treat counsel, opposing parties, witnesses, the Court, and members of the Court staff with courtesy and civility and will not manifest by words or conduct bias or prejudice based on race, color, national origin, religion, disability, age, sex, or sexual orientation. I will be punctual. I will not engage in any conduct which offends the dignity and decorum of proceedings. I will not knowingly misrepresent, mischaracterize, misquote or miscite facts or authorities to gain an advantage. I will respect the rulings of the Court. I will give the issues in controversy deliberate, impartial and studied analysis and consideration. I will be considerate of the time constraints and pressures imposed upon the Court, Court staff and counsel in efforts to administer justice and resolve disputes.