

May 26, 2024

Via Email Transmission

Mr. Joseph Neeb
City Manager
1110 Houston Street
Laredo, Texas 78040

**Re: Agreement to Provide Co-Bond Counsel Services
to the City of Laredo, Texas (the "City")**

Dear Mr. Neeb:

On behalf of McCall, Parkhurst & Horton L.L.P. ("**McCall**") and JCA Law, PLLC ("**JCA**"), we are pleased to submit this letter which will outline our legal services agreement of both firms, to provide services as Co-Bond Counsel to the City in connection with the issuance of bonds, certificates of obligation, tax notes, public property finance contractual obligations or other obligations (hereinafter generally referred to as "**Bonds**") to finance various improvements by the City.

SERVICES

In connection with the issuance of a series of Bonds, McCall and JCA will perform all usual and necessary legal services as Co-Bond Counsel. Specifically, we will prepare and direct legal proceedings and perform other necessary legal services with reference to the authorization, sale, and delivery of the Bonds, including the following as they apply:

1. Provide preliminary legal advice concerning financing structures, bond election matters, and other legal matters related to public finance.
2. Prepare all necessary instruments relating to a bond election, if required by law to be held in connection with a series of Bonds
3. Prepare all instruments pursuant to which the Bonds will be authorized, secured, sold, and delivered in consultation with the City's staff, the City Council, the City's Financial Advisor, and other officials and consultants of the City.
4. Attend meetings of the City Council and meetings with the City's staff to the extent required or requested.

5. Attend meetings and/or conference calls with the representatives of the City and meetings and/or conference calls with the underwriters, rating agencies or bond insurers relating to the Bonds to the extent requested or required.
6. Cooperate with the City and its consultants in the preparation of an Official Statement or other offering materials, including review of the information therein describing the Bonds, the security therefor, and the federal income tax status thereof.
7. Submit the documents related to the issuance of the Bonds to the Attorney General of the State of Texas for approval and obtaining the registration of the Bonds by the Comptroller of Public Accounts of the State of Texas, as required by law.
8. Supervise the printing, execution, and delivery of the Bonds to the initial purchasers thereof, or coordinate the preparation of initial Bonds to be delivered to the Depository Trust Company ("**DTC**") in connection with DTC's book-entry-only system at the request of the City.
9. When so delivered, render an opinion regarding the validity of the Bonds under Texas law (which will be provided by each of our law firms) and the tax exempt status of the interest thereon under federal income tax laws (which will be provided only by McCall).
10. Provide post-issuance advice, as may be requested by the City, concerning such subjects as arbitrage and rebate matters relating to the Bonds and the application of Bond proceeds.

COMPENSATION

To perform the services outlined above, as Co-Bond Counsel (except as noted in the following paragraph) the legal services fees will equal to \$6,500 plus 1/10th of 1% of the principal amount plus original issue premium, if any, of a series of Bonds issued by the City, plus 20% of the amount resulting from such calculation whether the Bonds are sold through a negotiated underwriting, competitive sale, or private placement. By way of example, if the City issues obligations that result in par plus premium of \$20,000,000, then our Co-Bond Counsel fee would be \$31,800¹. In addition, in connection with the issuance of Bonds that require the approval of the City's voters, we charge an additional one-time fee (payable upon the delivery of the first series of Bonds approved at an election) for preparing the election documents related to the issuance of the Bonds. Such fee is to be negotiated based on the nature and complexity of the election, but not expected to exceed \$25,000. All fees for Co-Bond Counsel would be split on the basis of 60% to McCall and 40% to JCA, and are contingent upon the actual issuance and delivery of a series of Bonds. No fees will be due to either firm in connection with the issuance of a series of Bonds if the City does not issue and deliver such Bonds.

¹ $\$6,500 + (\$20,000,000 * .001) = \$26,500$. Add 20% to the \$26,500 amount to get to our Co-Bond Counsel Fee of \$31,800 in this hypothetical.

If Bonds issued by the City are purchased by the Texas Water Development Board, the United States Department of Agriculture (USDA), or another state or federal agency, we will charge a fee equal to \$15,000 for first \$1,000,000 in principal amount, 1/2 of 1% of the principal amount of the Bonds for next \$4,000,000, and 1/5th of 1% of the principal amount of the Bonds for amounts over \$5,000,000, plus 20% of such resulting amount, subject to a minimum fee of \$20,000 for transactions under \$1,000,000, and a minimum fee of \$25,000 for transactions over \$1,000,000. For obligations involving the U.S. Department of Housing and Urban Development, we charge a fee equal to \$15,000 plus 1% of the principal amount of the bonds, plus 20% of such resulting amount, subject to a minimum fee of \$30,000,000.

Co-Bond Counsel will be reimbursed for reasonable out-of-pocket expenses (i.e., costs for photocopies, telecopies, long distance telephone, overnight courier and delivery services, transcript binding, and publication of required notices, if any) related to the issuance of a series of Bonds incurred by either, which generally do not exceed \$3,000 (plus fees and expenses of a third party translator we use to translate any election documents into Spanish, if applicable, and publication of required notices, if any). In addition, state law requires the City to pay a nonrefundable examination fee to the Attorney General in connection with the issuance of a series of Bonds (see Section 1202.004, Texas Government Code, as amended) equal to 1/10th of 1% of the principal amount of the Bonds, subject to a minimum fee of \$750 and a maximum fee of \$9,500. At the appropriate time the City will provide a check payable to the Attorney General for such amount, but in the event that either McCall or JCA pay such statutory filing fee on the City's behalf (which is our normal practice), the appropriate law firm will request to be reimbursed for such payment. In any event, the City will be able to reimburse itself with proceeds of the Bonds for such payment to the Attorney General.

RECORDS

At the City's request, papers and property furnished by the City will be returned promptly. All complete and final drafts of agreements, documents, legal memoranda, correspondence, reports, information and other data given to, prepared or assembled by either law firm in furtherance of work performed on behalf of the City, and any other related documents or items, shall become the sole property of the City and shall be delivered to the City upon request without restriction on future use. We may make copies of any and all documents for our files, at our sole cost and expenses.

CONFLICTS

Both McCall and JCA represent many political subdivisions and others who do business with political subdivisions. It is possible that during the time that we are representing the City, one or more of our present or future clients will have transactions with the City. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in other matters with the City. We do not believe such representation, if it occurs, will adversely affect our ability to represent the City as provided in this correspondence, either because such

matters will be sufficiently different from the matter which is the subject of this letter agreement so as to make such representations not adverse to our representation of the City, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of this matter. However, in the event either firm determines there is a conflict of interest or potential conflict of interest after the representation commences, the appropriate firm will immediately notify the City in writing.

CANCELLATION OF AGREEMENT

While we hope to have the opportunity to serve the City as Co-Bond Counsel on a long term basis, this Agreement may be canceled by the City at any time for any reason upon 30 days written notice.

CONCLUSION

McCall and JCA greatly appreciate the opportunity to serve the City as Co-Bond Counsel and to submit this agreement for services. If you have any questions regarding this agreement or if we can provide you with any additional information regarding our firm, please feel free to contact the undersigned.


[The remainder of this page left blank intentionally]

ACCEPTANCE

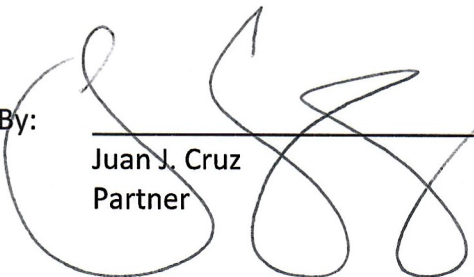
If the City finds the terms in this engagement letter acceptable, please indicate your acceptance and agreement of this letter by signing on the line provided below.

Cordially yours,

McCALL, PARKHURST & HORTON L.L.P.

By: 
Orlando "Jay" Juarez, Jr.
Partner

JCA Law, PLLC

By: 
Juan J. Cruz
Partner

Accepted and Agreed to:

CITY OF LAREDO, TEXAS

By: _____
Title: _____
Date: _____