

JAMES S. FROST

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Texas Board of Legal Specialization*

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A.J. SAEGERT (1921-1991)

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O.E. THRELKELD (1904-1984)

Via email aquittner@seguintexas.gov and first class mail

November 9, 2016

Andy Quittner, Esq.
City Attorney – City of Seguin
210 E. Gonzales Street
Seguin, Texas 78155

Re: Schertz-Seguin Secondary Pipeline Project

Dear Mr. Quittner:

I want to express my appreciation for the opportunity to represent the City of Seguin, Texas (the “City”), in connection with the above-referenced matter. As part of my routine in opening new files, I provide clients with an engagement letter. The purpose of this letter is to set forth our understanding of the legal services to be performed by us for this engagement and the basis upon which we will be paid for those services.

Please read this letter carefully. It describes the terms and conditions under which we will represent the City concerning the above-referenced matter. I ask that you sign a copy of this letter agreeing to the terms and conditions described below before we begin representing the City. The terms and conditions of our engagement are as follows:

Fees

1. Our fees for legal services are based on the hourly rates for each lawyer and assistant at the time the services are rendered. My current hourly rates are as follows: \$325.00 for my fees, \$90.00 for support staff personnel. We will not increase our hourly rates for one (1) year from the date we are first retained, and any increase would not exceed 10% of the current rate.
2. It is my policy to bill clients for fees and out-of-pocket expenses monthly. Except in exceptional circumstances, we do not charge for long-distance telephone calls, facsimiles, and photocopies. Each lawyer and assistant records the time required to

perform services, and these time records are the basis for the bills. The bills will describe services performed, by whom performed, and the expenses incurred. For large expenses, I may request that the supplier bill the City directly. We bill without mark-up for direct expenses, such as filing fees, delivery fees, and travel expenses outside of Guadalupe County.

3. If during representation I anticipate a significant increase in the level of my activity on behalf of the City, for example, trial preparation or trial, I may bill more frequently. I will expect that such statements also will be paid promptly.
4. Because of the detailed nature of my statements, my clients do not usually have any questions about them. However, if a question should arise, please call me promptly so we can discuss the matter. Our hourly rates do not include any interest for late payments. Because of this and the fact that we do not include a service charge for late payments, I must insist that my clients pay their bills promptly.
5. By your execution of this engagement letter on behalf of the City, you agree that we are relieved from the responsibility of performing any further work should the City fail to pay any statement for fees and expenses (including bills for expenses received from third parties) or for supplemental retainer deposits within thirty (30) days of their receipt. In such event, the City agrees that we may move to withdraw as its counsel and that the City will promptly execute any withdrawal motions to accomplish this.
6. By signing this engagement agreement, the City indicates that it understands this firm may retain papers relating to this matter to secure payment of any amount the City owes me, to the extent permitted by law, but only if such retention will not prejudice the City's interests in the subject matter of the representation.
7. During our discussion about handling this matter, we may have provided the City with certain estimates of the fees and expenses that will be required at certain stages of my representation. Such estimates are just that, and the fees and expenses required are ultimately a function of many conditions over which we have little or no control, particularly the extent to which other parties require my involvement on the City's behalf. We invoice clients on a monthly basis so they will have a means of monitoring and controlling their expenses. If the City believes the expenses are mounting too rapidly, please contact me immediately. If I do not hear from the City, I assume that it approves of the overall level of activity in this matter.

Retainer

8. Because of my past representation and good relationship with the City I will not require an initial retainer. However, I may from time to time request an advance to cover court costs.

Texas Lawyer's Creed

9. The Supreme Court of Texas requires that all attorneys in Texas follow the Texas Lawyer's Creed, a copy of which is sent with this letter. We support and intend to comply with the Lawyer's Creed. Please review it, and contact me if you have any questions.

Conflict of Interest

10. In representing the City, I recognize that we may be disqualified from representing any client in any matter related to our representation of the City. I also recognize that we may be disqualified from representing any client in any matter in which confidential information concerning the City and made available to me during my representation of the City becomes material or relevant to another matter or in which use or knowledge of such information could be adverse to the City's interest. The City agrees, that, except as stated above, the firm shall be entitled to represent the interests of any party adverse to the City in litigation, business negotiations, or other legal matters involving other parties.

Termination of Representation

11. The City may discharge me from this representation at any time. We will be free to withdraw at any time and without cause, subject to reasonable notice under the circumstances, and subject to approval by any court in which your matter may be pending. We will be entitled to receive compensation from the City for all services rendered and all disbursements made, pursuant to the provisions of this agreement, up to the time of withdrawal. Circumstances may arise that will require me to withdraw from representation under the Texas Disciplinary Rules of Professional Conduct or other applicable professional standards. In such circumstances, as well as the instances referred to above, we will cooperate in the transfer of the matter to other counsel of the City's choice.

Document Retention

12. At the conclusion of my representation, on the City's request I will return all documents the City provided to us. You agree that we may retain copies of all such documents as well as all other materials.

We retain files for 5 years. After 5 years from the conclusion of my representation, I may destroy any file without further notice to the City. During the 5 year period, we will make the file available to the City for copying upon request.

Required Notice to Client

13. The State Bar of Texas requires that I provide the following information [Gov. C § 81.079]:

The State Bar of Texas investigates and prosecutes professional misconduct committed by Texas attorneys. Although not every complaint against or dispute with a lawyer involves professional misconduct, the State Bar Office of General Counsel will provide you with information about how to file a complaint. For more information, call toll-free 1-800-932-1900.

Governing Law

14. This agreement is governed by the laws of the State of Texas and all obligations are performable in Guadalupe County, Texas. Any dispute regarding this agreement or fees and expenses shall be subject to binding arbitration under the Texas Arbitration Act. The prevailing party in any arbitration is entitled to recover court costs, reasonable attorney's fees and out of pocket expenses (e.g., expert witness fees) from the non-prevailing party.

Tax ID Number

15. Payments to lawyers made in the course of business must be reported to the Internal Revenue Service. For your reporting purposes, my tax identification number is 74-2785963.

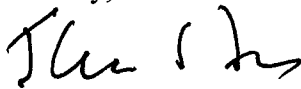
Andy Quittner, Esq.
City Attorney – City of Seguin
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Please Sign and Return

16. Please sign a copy of this letter in the space below, indicating the City's agreement to the terms and conditions set forth above.

Thank you for your confidence in allowing me to assist the City of Seguin, Texas, in this matter.

Sincerely,



JAMES S. FROST

JSF/gr

Enclosure

ACCEPTED:

City of Seguin, Texas

BY: _____
Andy Quittner
City Attorney – City of Seguin

Date

THE TEXAS LAWYER'S CREED — A MANDATE FOR PROFESSIONALISM

Adopted November 7, 1989

ORDER OF ADOPTION

The conduct of a lawyer should be characterized at all times by honesty, candor, and fairness. In fulfilling his or her primary duty to a client, a lawyer must be ever mindful of the profession's broader duty to the legal system.

The Supreme Court of Texas and the Court of Criminal Appeals are committed to eliminating a practice in our State by a minority of lawyers of abusive tactics which have surfaced in many parts of our country. We believe such tactics are a disservice to our citizens, harmful to clients, and demeaning to our profession.

The abusive tactics range from lack of civility to outright hostility and obstructionism. Such behavior does not serve justice but tends to delay and often deny justice. The lawyers who use abusive tactics instead of being part of the solution have become part of the problem.

The desire for respect and confidence by lawyers from the public should provide the members of our profession with the necessary incentive to attain the highest degree of ethical and professional conduct. These rules are primarily aspirational. Compliance with the rules depends primarily upon understanding and voluntary compliance, secondarily upon re-enforcement by peer pressure and public opinion, and finally when necessary by enforcement by the courts through their inherent powers and rules already in existence.

These standards are not a set of rules that lawyers can use and abuse to incite ancillary litigation or arguments over whether or not they have been observed.

We must always be mindful that the practice of law is a profession. As members of a learned art we pursue a common calling in the spirit of public service. We have a proud tradition. Throughout the history of our nation, the members of our citizenry have looked to the ranks of our profession for leadership and guidance. Let us now as a profession each rededicate ourselves to practice law so we can restore public confidence in our profession, faithfully serve our clients, and fulfill our responsibility to the legal system.

The Supreme Court of Texas and the Court of Criminal Appeals hereby promulgate and adopt "The Texas Lawyer's Creed--A Mandate for Professionalism" as attached hereto and made a part hereof.

In Chambers, this 7th day of November, 1989.

THE TEXAS LAWYER'S CREED--A MANDATE FOR PROFESSIONALISM

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.

1. I am passionately proud of my profession. Therefore, "My word is my bond."
2. I am responsible to assure that all persons have access to competent representation regardless of wealth or position in life.
3. I commit myself to an adequate and effective pro bono program.
4. I am obligated to educate my clients, the public, and other lawyers regarding the spirit and letter of this Creed.
5. 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 legal 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.

1. I will advise my client of the contents of this creed when undertaking representation.
2. I will endeavor to achieve my client's lawful objectives in legal transactions and in litigation as quickly and economically as possible.
3. 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.
4. I will advise my client that civility and courtesy are expected and are not a sign of weakness.
5. I will advise my client of proper and expected behavior.
6. 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.

7. 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.

8. I will advise my client that we will not pursue tactics which are intended for delay.

9. I will advise my client that we will not pursue any course of action which is without merit.

10. 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 a reasonable request made by other counsel.

11. 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.

1. I will be courteous, civil, and prompt in oral and written communications.

2. I will not quarrel over matters of form or style, but I will concentrate on matters of substance.

3. I will identify for other counsel or parties all changes I have made in documents submitted for review.

4. 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.

5. 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.

6. 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.

7. I will not serve motions or pleadings in any manner that unfairly limits another party's opportunity to respond.

8. I will attempt to resolve by agreement my objections to matters contained in pleadings and discovery requests and responses.

9. 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.

10. 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.

11. I will not take advantage, by causing any default of dismissal to be rendered, when I know the identity of an opposing counsel, without first inquiring about that counsel's intention to proceed.

12. 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.

13. I will not attempt to gain an unfair advantage by sending the Court or its staff correspondence or copies of correspondence.

14. I will not arbitrarily schedule a deposition, court appearance, or hearing until a good faith effort has been made to schedule it by agreement.

15. I will readily stipulate to undisputed facts in order to avoid needless costs or inconvenience for any party.

16. I will refrain from excessive and abusive discovery.

17. 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.

18. I will not seek Court intervention to obtain discovery which is clearly improper and not discoverable.

19. 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.

1. 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.
2. I will conduct myself in Court in a professional manner and demonstrate my respect for the Court and the law.
3. I will treat counsel, opposing parties, the Court, and members of the Court staff with courtesy and civility.
4. I will be punctual.
5. I will not engage in any conduct which offends the dignity and decorum of proceedings.
6. I will not knowingly misrepresent, mischaracterize, misquote or miscite facts or authorities to gain an advantage.
7. I will respect the rulings of the Court.
8. I will give the issues in controversy deliberate, impartial and studied analysis and consideration.
9. 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.