

ALLEN BOONE HUMPHRIES ROBINSON LLP

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David. Oliver
Partner

July 12, 2024

Mayor Dedrick D. Johnson, Sr.
City of Texas City, Texas
1801 9th Ave N
Texas City, Texas 77590

Dear Mayor Johnson and Commissioners:

We appreciate being asked to represent the City of Texas City, Texas (the "City") in connection with the preparation and review of agreements between the City and Gateview Development Corporation (the "Developer") regarding development of approximately 26 acres of land (the "Property") known generally as the Gateview Subdivision and use of special districts (the "Districts") to finance certain infrastructure needed to develop the Property.

Our experience has been that it is mutually beneficial to set forth, at the outset of our representation, the role and responsibilities of both our law firm and the client, as described in this letter and the separate Standard Terms of Engagement for Legal Services that is enclosed with this letter.

Client

The client for this engagement is the City. This engagement does not create an attorneyclient relationship with any related persons or entities, such as parents, subsidiaries, affiliates, employees, officers, directors, shareholders, or partners. The Developer is not the client for this engagement.

Scope of Engagement

As the City's counsel, we will provide the legal services described in the first paragraph of page one hereof. We will work cooperatively with other consultants engaged by the City for this purpose.

This engagement will include only the matters described in the paragraph above and any additional matters that are made part of the engagement by written supplement

to this letter. If you determine to engage the Firm on additional legal matters, this engagement letter will apply to those matters as well and such other work will be billed at our regular hourly rates.

We understand and agree that this is not an exclusive agreement, and you are free to retain any other counsel of your choosing. We recognize that we shall be disqualified from representing any other client with interests materially and directly adverse to yours (i) in any matter which is substantially related to our representation of you and (ii) with respect to any matter where there is a reasonable probability that confidential information you furnished to us could be used to your disadvantage; however, the City acknowledges and agrees to our representation of the Developer, all as described herein. You understand and agree that, with the exceptions described above, we are free to represent other clients, including clients whose interests may conflict with yours in litigation, business transactions, or other legal matters. You agree that our representing you in this matter will not prevent or disqualify us from representing clients adverse to you in other matters and that you consent in advance to our undertaking such adverse representations.

This engagement and our attorney-client relationship will be terminated when we have completed the services in the matters covered by this engagement letter and any written supplements to this engagement letter. If you later retain us to perform further or additional services, our attorney-client relationship will be established by another engagement letter.

Our Firm may have represented, may currently represent, or in the future may represent (i) landowners or developers owning property within your corporate boundaries and/or extra-territorial jurisdiction and (ii) special districts, including municipal utility districts, located within your boundaries and/or extra-territorial jurisdiction, opposing your interests in a matter in which we represent you. This will not in any way affect the diligence or vigor with which we represent your interests in the matter or the matters on which you engage our Firm. If this is a concern to you, please let us know and we will check on the particular lawyers involved in your matter or matters.

Cooperation

In order to enable us to render effectively the legal services contemplated, the City has agreed to disclose fully and accurately all facts and keep us informed of all developments relating to this matter. We necessarily must rely on the accuracy and completeness of the facts and information you and your agents provide to us. To the extent it is necessary for your representatives to attend meetings in connection with this matter, we will attempt to schedule them so that the convenience of those representatives can be served.

Fees

All legal work will be billed on a separate hourly basis. For legal work billed on an hourly basis, our fees will be based on the time spent by the lawyers and paralegal personnel who work on the matter. We will charge for all time spent in representing the interests of the City, including, by way of illustration, telephone and in-person conferences with the City's representatives, consultants, and others; conferences among our legal and paralegal personnel; factual investigation; legal research; responding to requests for us to provide information to your auditors in connection with reviews or audits of financial statements; drafting letters and other documents; and travel.

Billing rates for our attorneys vary according to the experience of the individuals. In an effort to reduce overall legal costs, we utilize paralegal personnel whenever appropriate. Billing rates for both attorneys and paralegal personnel are, from time to time, reviewed and adjusted and may be changed with or without notice. Please feel free at any time to ask for our current rates.

Other Charges

In addition to our fees, there will be other charges for items incident to the performance of our legal services, such as photocopying, messengers, travel expenses, long-distance telephone calls, facsimile transmissions, postage, overtime for secretaries and other nonlegal staff, specialized computer applications such as computerized legal research, and filing fees. The basis upon which we establish these other charges is set forth in the attached Standard Terms of Engagement for Legal Services.

Billing Cycle

Our billing rates are based on the assumption of prompt payment. Consequently, unless other arrangements are made, fees for services and other charges will be billed monthly and are payable within thirty days of receipt.

Fees and expenses that are billed on an hourly basis will be billed monthly on a separate hourly basis.

Our fees and services and other charges are being incurred on behalf of the District. The City agrees that we will bill the Developer for these services and charges and the Developer agrees that it will provide payment accordingly on behalf of the District.

Investment Disclosures

Many of the Firm's lawyers, directly or beneficially, own interests in corporations and other entities or in real property. Although our computerized system used for checking conflicts of interest tracks all investments made in the name of the Firm, it does not contain data as to investments made individually by each of the Firm's lawyers. If you are at all concerned about these individual investments, we will be pleased to canvass

our lawyers about their individual investments in any entity or entities about which you may be concerned.

Withdrawal or Termination

Our relationship is based upon mutual consent and you may terminate our representation at any time, with or without cause, by notifying us. Your termination of our services will not affect your responsibility for payment of fees for legal services rendered and of other charges incurred before termination and in connection with an orderly transition of the matter.

We are subject to the rules of professional conduct for the jurisdictions in which we practice, which list several types of conduct or circumstances that require or allow us to withdraw from representing a client, including for example, nonpayment of fees or costs, misrepresentation or failure to disclose material facts, fundamental disagreements, and conflicts of interest with another client. We try to identify in advance and discuss with our client any situation which may lead to our withdrawal, and if withdrawal ever becomes necessary, we give the client written notice of our withdrawal. If we elect to withdraw for any reason, you will take all steps necessary to free us of any obligation to perform further, including the execution of any documents necessary to complete our withdrawal, and we will be entitled to be paid for all services rendered and other charges accrued on your behalf to the date of withdrawal.

Other

If the foregoing, including the items set forth in the enclosed Standard Terms of Engagement for Legal Services, correctly reflects your understanding of the terms and conditions of our representation, please so indicate by executing the enclosed copy of this letter in the space provided below and return it to the undersigned. We understand that the City also obtains legal services from its City Attorney and that the City has reviewed the foregoing with the City Attorney.

Please contact me if you have any questions. We are pleased to have this opportunity to be of service and to work with you.

Very truly yours,

ALLEN BOONE HUMPHRIES ROBINSON LLP

By: _____
David Oliver, Partner

AGREED TO AND ACCEPTED on this _____ day of _____, 2024:

CITY OF TEXAS CITY, TEXAS

Dedrick D. Johnson, Sr.
Mayor

APPROVED AS TO FORM:

Kyle Dickson
City Attorney

ALLEN BOONE HUMPHRIES ROBINSON LLP

Standard Terms of Engagement for Legal Services

This statement sets forth certain standard terms of our engagement as your lawyers and is intended as a supplement to the engagement letter that we have with you as our client. Unless modified in writing by mutual agreement, these terms will be an integral part of our agreement with you as reflected in the engagement letter. Therefore, we ask that you review this statement carefully and contact us promptly if you have any questions. We suggest that you retain this statement in your file with the engagement letter.

The Scope of Our Work

You should have a clear understanding of the legal services we will provide. Any questions that you have should be dealt with promptly.

Any expressions on our part concerning the outcome of your legal matters are expressions of our professional judgment, but are not guarantees. Such opinions are necessarily limited by our knowledge of the facts and are based on the state of the law at the time they are expressed.

It is our policy that the person or entity that we represent is the person or entity that is identified in our engagement letter, and absent an express written agreement to the contrary does not include any affiliates of such person or entity (e.g., if you are a corporation or partnership, any parents, subsidiaries, employees, officers, directors, shareholders or partners of the corporation or partnership, or commonly owned corporations or partnerships; or, if you are a trade association, any members of the trade association). If you believe this engagement includes additional entities or persons as our clients you should inform us immediately.

It is also our policy that the attorneyclient relationship will be considered terminated upon our completion of any services that you have retained us to perform. If you later retain us to perform further or additional services, our attorneyclient relationship will be revived according to the terms of an engagement letter that we enter into at that time.

This engagement shall be subject to the Texas Disciplinary Rules of Professional Conduct. We also wish to advise you of the contents of The Texas Lawyer's Creed, a copy of which is included at the end of these Standard Terms of Engagement for Legal Services.

All of our and your rights and obligations arising under and/or related to this engagement shall be governed by the laws of the State of Texas.

By signing and entering into this engagement, we verify, pursuant to Chapter 2270 of the Texas Government Code, that the Firm does not boycott Israel and will not boycott Israel during the term of this engagement.

Who Will Provide the Legal Services

Customarily, each client of the Firm is served by a principal attorney contact. The principal attorney should be someone in whom you have confidence and with whom you enjoy working. You are free to request a change of principal attorney at any time. Subject to the supervisory role of the principal attorney, your work or parts of it may be performed by other lawyers and legal assistants in the Firm. Such delegation may be for the purpose of involving lawyers or legal assistants with special expertise in a given area or for the purpose of providing services on the most efficient and timely basis. Whenever practicable, we will advise you of the names of those attorneys and legal assistants who work on your matters.

How Our Fees Will Be Set

Generally, our fees are based on the time spent by the lawyers, paralegals, and administrative personnel who work on the matter. We will charge for all time spent in representing your interests, including, by way of illustration, telephone and office conferences with you and your representatives, consultants (if any), opposing counsel, and others; conferences among our lawyers, paralegals, and administrative personnel; factual investigation; legal research; responding to your requests for us to provide information to your auditors in connection with reviews or audits of financial statements; drafting letters and other documents; and travel. We will keep accurate records of the time we devote to your work in units of quarters of an hour.

The hourly rates of our lawyers, paralegals, and administrative personnel are reviewed and increased from time to time, and at least annually, to reflect current levels of experience, changes in overhead costs, and other factors.

Although we may from time to time, at the client's request, furnish estimates of legal fees and other charges that we anticipate will be incurred, these estimates are by their nature inexact (due to unforeseeable circumstances) and, therefore, the actual fees and charges ultimately billed may vary from such estimates.

Additional Charges

In addition to our fees, there will be other charges for items incident to the performance of our legal services, including photocopying, messengers, travel expenses, facsimile transmissions, postage, overtime for secretaries and other nonlegal staff, specialized computer applications such as computerized legal research, record maintenance and storage, administrative meeting costs, and filing fees. The current basis for these charges is set forth below. The Firm will review this schedule of charges on an annual basis and adjust them to take into account changes in the Firm's costs and other factors.

Duplicating

The Firm charges \$.15 per page for black and white copies and \$.50 per page for color copies.

Courier Services

The Firm charges an amount which generally represents costs including the distribution service provided by the Firm. Depending on the volume of work performed by a service provider, the Firm may receive a volume discount during a particular accounting period for which no adjustment is made on an individual client's bill.

Computer Aided Legal Research (CALR)

Third party providers of CALR services charge the Firm amounts each month based on the type, extent, and duration of the services provided. The Firm charges clients for client research only based on the computed cost to the Firm for the use of the services. This cost is monitored and revised periodically to achieve an average "at cost" rate for clients.

Telefax

The Firm does not charge for telefaxes.

Telephone

The Firm does not charge for local or long-distance calls.

TravelRelated Expenses

Airfare, meals, and related travel expenses charged to the client represent actual, outofpocket cost. Credits earned under the Frequent Flyer Programs accrue to the individual traveler and not to the Firm.

Administrative Meeting Charge

The Firm charges an administrative meeting charge for each client meeting held at the Firm's offices where food is served. This flat fee approximates the cost of supplies, beverages, utensils, materials, incidental personnel, and miscellaneous costs related to a client meeting conducted at the Firm's offices where food is served. This charge may be increased from time to time to reflect an increase in costs.

All Other Costs

The Firm charges an amount which generally represents costs for maintenance and storage of client electronic and hard copy records. In addition, the Firm charges actual disbursements for thirdparty services like court reporters, expert witnesses, etc., and may recoup expenses reasonably incurred in connection with services performed inhouse, such as mail services, secretarial overtime, file retrieval, etc.

Unless special arrangements are otherwise made, fees and expenses of others (such as experts, investigators, consultants and court reporters) will be the responsibility

of, and billed directly to, the client. Further, all invoices in excess of \$500 will be forwarded to the client for direct payment.

Billing Arrangements and Terms

Our billing rates are based on the assumption of prompt payment. Consequently, unless other arrangements are made, fees and expenses for the services described herein will be billed from time to time as the work is performed or at such regular intervals, not to exceed 30 days, as the client may direct and are payable within thirty days of receipt.

Advances

A client of the Firm may be asked to deposit funds as an advance payment with the Firm. The advance payment will be applied first to payment of charges for such items as photocopying, messengers, travel, etc., as more fully described above, and then to fees for services. The advance will be deposited in our client advance account and we will charge such other charges and our fees against the advance and credit them on our billing statements. In the event such other charges and our fees for services exceed the advance deposited with us, we will bill you for the excess monthly or may request additional advances. Any unused portion of amounts advanced will be refundable at the conclusion of our representation.

Client and Firm Documents

We will maintain a client file (or files) for this matter. At the conclusion of the matter (or earlier, if appropriate), it is your obligation to tell us which, if any, of the documents in our files that you want returned. We will return those documents to you promptly after our receipt of payment for outstanding fees and charges, including costs of retrieval and delivery of records. We may keep copies of any documents we provide to you. Any documents retained by the Firm will be kept for a certain period of time, and ultimately we will destroy them in accordance with our record retention program schedule then in effect.

Attorney Complaint Information

The State of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. A brochure entitled Attorney Complaint Information is available at our office and is likewise available upon request. A client that has any questions about the State Bar's disciplinary process should call the Grievance Information Helpline of the State Bar of Texas at 1-800-932-1900.

