

COVELER & PEELER, P.C.

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October 13, 2022

Hidalgo County Judge Richard Cortez
Attn: Isaac V. Sulemana, Chief of Staff
Hidalgo County Judge's Office
100 E. Cano, Second Floor
Edinburg, Texas 78539

Re: Engagement for Special Legal Counsel for Hidalgo County

Dear Judge Cortez:

The attorneys and staff of Coveler & Peeler, P.C., appreciate the opportunity to work with Hidalgo County ("the County"). This letter outlines the scope of our representation for the County.

We anticipate our engagement as the County's special counsel to include the following matters:

1. Engagement as special legal counsel to assist the County create and form an Emergency Services District in the western area of Hidalgo County.
2. Engagement as special counsel to assist the County create and overlap one (1) or more Emergency Services Districts which would provide Emergency Medical Services ("EMS") that cover Hidalgo County Emergency Services District No. 1, 2, 3 and 4.
3. Engagement as special counsel to engage with the Hidalgo County Appraisal District ("HCAD") in order to describe the official metes and bounds of the Emergency Services District for the western area of Hidalgo County and creation of overlapping EMS. Additional interactions with HCAD would assist with establishing revenue estimates, revenue values and operational models of the EMS service after any possible election.
4. Engagement as special counsel to help create and order an election to facilitate an Emergency Services District in the western area of Hidalgo County.

5. Engagement as special counsel to discuss the future creation of one (1) or more EMS Emergency Services Districts that would provide EMS services to the western area of Hidalgo County.
6. Engagement as special counsel to engage in Election Education throughout the western area of Hidalgo County and to educate voters on the creation of a Fire Emergency Services District and EMS Emergency Services District in the area and how it would benefit the members of the public.
7. Engagement as special counsel to engage and communicate with local political subdivisions, including but not limited to cities, utility districts, and other special purpose districts regarding an Emergency Services District within their territory.
8. Engagement as special counsel to engage and communicate with Hidalgo County Commissioners regarding an Emergency Services District in the western area of Hidalgo County.
9. Engagement as special counsel to engage and communicate with Hidalgo County Emergency Services District No. 1, 2, 3 and 4 about a creation of one (1) or more EMS that overlap the Districts.
10. Engagement as special counsel to assist the County if a proposition election passes to create and form the Emergency Services District for the western area of Hidalgo County.
11. Engagement as special counsel to assist the County if a proposition election passes to create and form one (1) or more overlapping EMS for Hidalgo County's Emergency Services District.
12. Engagement as special counsel to assist the County with the Board appointments of the newly created Emergency Services District for the western area of Hidalgo County.
13. Engagement as special counsel to the County to consult with existing Hidalgo County Emergency Services District No. 1, 2, 3 and 4.
14. Engagement as special counsel to assist the newly formed Emergency Services District in the western area of Hidalgo County establish itself.

Our fees for legal services are based on the hourly rates for attorneys and staff. We will bill in quarter hour increments. When our law firm rates change, we will provide you with an update of those rates prior to any work commencing. Our current rates are attached to this letter as Exhibit "A". The terms and conditions of our representation are attached hereto as Exhibit "B", and are hereby incorporated by reference.

It is very challenging at this point to estimate the cost of this work. The work will need to occur in phases and we would work with the County to try and develop a more specific budget once we are engaged and know the true scope of our work.

We would currently estimate to visit with all of the interested parties, advise and assist with the education campaign, prepare the necessary petitions to request the creation of the new districts, order the election and accomplish all of the engagement matters listed above, including travel for same, would range between \$75,000 and \$100,000. That estimate changes significantly based upon the need to meet with cities and other Emergency Services Districts and their counsel to coordinate on the requested engagements.

While we do not normally bill for routine travel time or mileage to and from the County, based upon the distance between the County and our offices, we would bill for time and actual travel expenses (not meals or incidentals) in person travel to and from Hidalgo County. However, we anticipate that much of this representation can be accomplished via remote meeting access, telephone and email communications.

We bill for expenses, such as delivery charges, postage and other expenses incurred in the course of our representation. We bill for these items at cost as expenses are incurred. Some items performed by outside vendors may be paid by Coveler & Peeler and billed back to the County or they may be billed directly to the County on a case by case basis with the County's permission.

We will invoice for hourly legal fees and costs incurred on a monthly basis without retainer. Our billing statements contain adequate detail to reasonably explain the work performed for the County and the time spent to produce such work. However, you are always free to request additional information for any billing item.

The attorneys in charge of the County's file and representation will be Ira A. Coveler and Krystine Ramon. Other firm attorneys and staff will assist on County matters as we deem appropriate. When completing work on behalf of the County, irrespective of how the matter is assigned to us by the County as a whole, by committees or individual commissioners, or by County staff, our client is the County as a whole, not the individual members or County employees. While it may at times be appropriate to provide representation, assistance and confidential communications and information to individual Commissioners and County senior staff, our ability to communicate with the County as a whole must not be constrained or unreasonably limited. Only through clear, complete communications directly with the County can we ensure that we are adequately meeting our obligations as special legal counsel to Hidalgo County.

You may discharge us from this representation at any time, with or without cause.

Additionally, we are free to withdraw at any time, with or without cause, subject to reasonable notice under the circumstances and with approval of any court which may be involved in any matters under our representation. We will be entitled to receive compensation from you for all services rendered and all disbursements made under the provisions of this engagement up to the time of withdrawal. Circumstances may arise that will require us to withdraw or recuse our firm from representation under the Texas Disciplinary Rules of Professional Conduct or other applicable professional standards. In such circumstances, as well as in the instances of discharge or withdrawal described above, we will cooperate in the transfer of your files to other counsel of your choosing.

When an attorney is engaged by a client for general representation or representation to complete a specific matter, the attorney cannot guarantee the results of such representation. We make no such representations now, nor do we make any express warranties regarding our representation, and we disclaim any implied warranties concerning it.

We appreciate the County giving us the opportunity to submit our proposal as special legal counsel.

Very truly yours,

COVELER & PEELER, P.C.

By: 
Ira A. Coveler

Accepted:

HIDALGO COUNTY

By: _____

Title: _____

COVELER & PEELER, P.C.
2022 – 2023 Rate Schedule

Please be advised that commencing with work performed as of January 1, 2022 and continuing through December 31, 2023, the billing rates for the law firm of Coveler & Peeler, P.C., shall be as follows:

John W. Peeler	\$ 395 per hour
Ira A. Coveler	\$ 395 per hour
David J. Manley	\$ 360 per hour
Nicole E. Pierce	\$ 360 per hour
Krystine N. Ramon	\$ 360 per hour
Paralegal(s)	\$ 175 - 225 per hour
Legal Assistants	\$ 150 per hour
Executive Assistants	\$ 125 - 150 per hour
Administrative Assistants	\$ 95 per hour

We appreciate the opportunity to work with Hidalgo County. We look forward to a productive relationship with the County and truly appreciate the opportunity to serve the County's needs.

Sincerely,

COVELER & PEELER, P.C.

COVELER & PEELER, P.C.

TERMS OF ENGAGEMENT

Introduction

These are the Terms of Engagement adopted by Coveler & Peeler, P.C., ("C&P") and referred to in our Engagement Letter as the basis for our representation. Because they are an integral part of our agreement to provide representation, we ask that you review this document carefully and retain it for your files. If you have any questions after reading it, please promptly inform your principal contact at the firm.

Client of the Firm

Since C&P has been engaged to represent the County only, the engagement does not include the County's affiliated or related entities, or their respective individual commissioners or employees. In the event we are asked to undertake representation of any other entity in connection with this engagement, we will do so only by agreement defined in the Engagement Letter.

The Scope of the Representation

C&P undertakes to provide representation and advice on the matters for which we are engaged, and it is important that we both have a clear understanding of the services that C&P has agreed to provide. In the Engagement Letter, C&P specifies the matter in which we will provide representation and the scope of the services we will provide. If there are any questions about the engagement, including the scope of the representation, and related services being performed, please address those questions promptly with your principal contact at the firm.

Our Relationship With Others

C&P represents Emergency Services Districts throughout Texas. In some instances, the applicable rules of professional responsibility may limit our ability to represent clients with conflicting or potentially conflicting interests. Those rules of professional responsibility 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.

If an unrelated conflict to the engagement develops between you and another client, we will follow the applicable rules of professional responsibility to determine whether we may represent either you or the other client in the unrelated controversy. In making this determination, we will consider your agreement to the Conflicts of Interest provisions in these Terms of Engagement.

Staffing The Project

Ira A. Coveler and Krystine N. Ramon will be your primary contact. In order to provide you with the expertise of our firm, and to provide services on a cost effective basis, Mr. Coveler and Ms. Ramon will delegate parts of your work to other lawyers, legal assistants and other professionals within the firm.

Fees, Billing Arrangements and Terms of Payment

C&P issues invoices on a regular basis, normally each month, for fees and other charges. Invoices are due on presentment and are considered past due thirty (30) days after receipt. It is important to review invoices that are presented each month and to bring any concerns regarding the invoice, services or staffing to the attention of your primary contact at the firm within thirty (30) days of receipt of an invoice.

Fees for professional services and reimbursable expenses are not contingent on the outcome of the project.

Clients frequently ask us to estimate the fees and other charges they are likely to incur in connection with a particular matter. Any estimate is based on professional judgment and facts and circumstances that appear at the time. As such, any estimate is subject to the understanding that, unless we agree otherwise in writing, it does not represent a maximum, minimum, or fixed-fee quotation. The ultimate cost frequently is more or less than the amount estimated.

As an adjunct to providing services, we may incur with your permission and pay a variety of charges on your behalf or charge for certain ancillary support services. Whenever we incur such charges on your behalf or charge for such ancillary support services, we will bill them to you as part of your monthly invoice. Examples include charges for photocopying, postage, long-distance telephone calls, travel and conference expenses, delivery charges, computerized research, and facsimile and other electronic transmissions. Outside expenses generally will be billed at cost, while some in-house expenses (e.g., copying, telecopying, computer services and in-house research) will include a reasonable allocation of overhead. In appropriate cases, reimbursable expenses will also include overtime charges for dedicated services for secretaries and other staff.

It may be necessary for us to retain third parties, such as consultants, experts and investigators, in order to represent you adequately. In that event, you will be responsible for the payment of the invoices of those third parties. Although we may advance third-party disbursements in reasonable amounts, we will ask you to pay larger third-party invoices (usually those over \$500) directly to the third party providing the services. Because we often have ongoing professional relationships with the persons who render such services, we also ask that you pay such bills promptly.

At times, and for a limited time, we may retain copies of documents generated or received by us in the course of your representation. Should you request documents from us at the conclusion of our representation (other than your original documents), to the extent that such documents may be available, you agree to compensate the firm for reproduction charges and professional fees required to retrieve, review and duplicate the files.

Your Cooperation

To enable us to provide effective representation, you agree to: (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) cooperate fully with us in all matters relating to the engagement.

Termination and Recusal

You may terminate the engagement at any time, with or without cause, by notifying us in writing. The firm also can terminate the engagement before the completion of its representation of you in the specified matter if (a) the continued representation would result in a violation of the applicable rules of professional conduct; (b) the termination can be accomplished without material adverse effect on your interests; (c) the firm has a fundamental disagreement with the objective in this engagement; (d) you substantially fail to discharge an obligation regarding this engagement, including the payment of fees and expenses and the duty of cooperation as provided in the Terms of Engagement; or (e) other good cause for termination exist. In the event that the firm intends to terminate the engagement, the firm will give reasonable notice and allow you access to your files relating to this engagement.

Circumstances may arise that will require us to withdraw or recuse our firm from representation under the Texas Disciplinary Rules of Professional Conduct or other applicable professional standards. In such circumstances, as well as in the instances of discharge or withdrawal described above, we will cooperate in the transfer of your files to other counsel of your choosing.

We will be entitled to receive compensation from you for all services rendered and all disbursements made under the provisions of this engagement up to the time of withdrawal or termination.

Confidentiality and Document Retention

At the close of any matter, we may return relevant documents to Client, send remaining pertinent parts of our files to a private storage facility for a limited time or destroy certain documents. The attorney closing the file will determine, at his or her discretion, which portion should be returned to Client, which portion should be sent to private storage (and for how long) and which portions are to be destroyed.

You agree that we will own and retain our own files pertaining to the engagement and that you will not have the right or ability to require us to deliver such files (or copies thereof) to you, including, for example, firm administrative records, time and expense reports, personnel and staffing materials, credit and accounting records, electronic mail correspondence (other than such correspondence which was sent to you by a member of our firm) and internal lawyer's work product, such as drafts, notes, internal memoranda and legal and factual research, including investigative reports prepared by or for the internal use of lawyers. Further, at the discretion of the responsible partner for the project in question, we may destroy any such documentation which

is the property of the firm or any documentation which such partner determines to be duplicative or unnecessary, and in all cases without having to obtain your consent.

Disclaimer

We cannot guarantee the outcome of any matter. Any expression of our professional judgment regarding your matter or the potential outcome is, of course, limited by our knowledge of the facts and based on the law at the time of expression. It is also subject to any unknown or uncertain factors or conditions beyond our control.

Either at the commencement or during the course of the representation, we may express opinions or beliefs about the matter or various courses of action and the results that might be anticipated. 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.

By signing the Engagement Letter or otherwise indicating your acceptance of the Engagement Letter, you acknowledge that C&P has made no promises or guarantees to you about the outcome of the representation, and nothing in these Terms of Engagement shall be construed as such a promise or guarantee.

As required by Texas Government Code chapter 2271, Coveler & Peeler, P.C. verifies that it does not boycott Israel and will not boycott Israel during the term of our engagement with the County.

As required by Texas Government Code chapter 2274, Coveler & Peeler, P.C. verifies that it does not boycott energy companies and will not boycott energy companies during the term of our engagement with the County.

As required by Texas Government Code chapter 2274, Coveler & Peeler, P.C. verifies that it does not and will not discriminate during the term of the contract against a firearm entity or firearm trade association.

Our Professional Responsibility

The code of professional responsibility lists several types of conduct or circumstances that require or allow us to withdraw from representing a client. These include, for example, misrepresentation or failure to disclose material facts, action contrary to our advice, conflict of interest with another client and nonpayment of fees or charges. C&P tries to identify in advance and discuss with our clients any situation that may lead to our withdrawal. If withdrawal ever becomes necessary, C&P gives our client written notice as soon as practicable.

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 offices and is likewise available upon request. A client that has any questions about the 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).

Modification of Our Agreement

The Terms of Engagement reflect our agreement on the terms of all engagements, and are not subject to any oral agreements, modifications, or understandings. Any change in these Terms of Engagement must be made in writing signed by both C&P and Client.

In Conclusion

We look forward to a long and mutually satisfying relationship with you. Again, if at any time you have a question or concern, please feel free to bring it to the attention of your principal contact at our firm.