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August 14, 2017

County Judge Dan A. Gattis
Williamson County
405 M.L.K. Street, Box 7
Georgetown, Texas 78626

Via Email: hprejean@wilco.org

Attn: Henry W. Prejean, Civil Chief / Of Counsel
Williamson County Attorney's Office

Re: Engagement Letter - Worker Reclassification Tax Court Representation

Dear Judge Gattis:

McGinnis, Lochridge and Kilgore, L.L.P. (the “**Firm**”) is pleased Williamson County (the “**County**”) has retained us to provide legal services in connection with Worker Reclassification dispute with the Internal Revenue Service (the “**Representation**”). This letter confirms the material terms of our agreement concerning the Firm's engagement by the County.

The Firm will advise the County, and specifically the Commissioners Court, Henry Prejean, and Hal Hawes as representatives of the County in connection with, and the scope of its engagement and duties to the County will relate only to, the Representation. The County may limit or expand the Firm's representation from time to time, provided that any substantial expansion must be agreed to by the Firm. All communication from us to the County is for the sole use and reliance of the County and should not be provided to, or used or relied on by, any third party, unless the communication from us is in writing and expressly states or indicates our intention to the contrary.

The Firm understands that Henry Prejean will be its primary contact and that the Firm should direct its communications and, if applicable, billings directly to Mr. Prejean. I will be the attorney generally responsible for the County's representation, including staffing and, if applicable, billing. I will be assisted by partners and associates as may be needed.

In Texas, an attorney employed or retained by a governmental entity owes his allegiance to the entity and not to a member, manager, officer, employee or other person. To avoid any misunderstanding in connection with the Firm's engagement by the County, the Firm wants to confirm that, unless the County requests and the Firm agrees otherwise, its representation will be limited to the Representation and our representation will be of, and we will owe duties to, the County only, and we have not been asked to represent and will owe no duties to any of the County's founders, partners, Board members, shareholders or subsidiaries. Any such other relationship or representation, if undertaken by the Firm with any other entity or person, whether affiliated with the County or not, must be entered into separately and explicitly. If any uncertainty about the

Firm's role and its limits is evidenced by a representative of the County at any time, the Firm would appreciate the County clarifying this to that person.

This Firm reserves the right to continue to represent or to undertake to represent existing or new clients in any matter that is not substantially related to our work for the County.

Subject to the limitations imposed by the Code of Professional Responsibility, we reserve the right to withdraw from this representation if we believe the attorney-client relationship is unsatisfactory or if we do not receive a signed copy of this letter from you. The County may terminate the relationship at any time.

Generally, the Firm's fees are determined by the time devoted by each lawyer or legal assistant involved and the hourly billing rates assigned to each such person. Currently, my hourly rate is \$455.00. The hourly rate of my partner, Doug Dodds is \$455.00 also. Our hourly rates range from \$595.00 for our most experienced partners to \$210.00 for our most junior associate and from \$155.00 to \$195.00 for legal assistants. These hourly rates are normally adjusted annually around the beginning of each calendar year. The Firm will charge for legal services on an hourly basis in accordance with its ordinary and customary hourly rates, as in effect on the date the services are rendered, and the Firm will also seek reimbursement for its actual and necessary expenses incurred in connection with its representation of the County in this matter. The Firm will maintain records of its time and expenses incurred, which the Firm will make available to the County on a monthly basis. The Firm intends to submit a bill for legal services and reimbursement of expenses on a monthly basis and expects payment within thirty (30) days. However, the Firm will monitor its time spent on legal services and expenses very carefully, and advise the County periodically upon its request of the amount incurred to the date of its request.

In addition to its hourly fees, the Firm expects its clients to defray certain costs and expenses incurred during its representation of them. Normally, disbursements and charges will be subject to reimbursement from the County in the regular billing cycle. In some circumstances, however, such as particularly large items, the Firm may ask the County to pay these directly and in advance.

We try to manage our business efficiently in order to deliver legal services in a cost-effective manner. In order to accomplish this, from time to time we outsource some firm operating functions to third-parties who are not firm employees, and we use outside vendors who are independent contractors to conduct some of our firm operations. These functions include copying and duplicating, couriers and deliveries, records storage, computer hardware and software operations and systems, information technology, office operations, legal assistant and clerical operations, accounting, accounts receivable collection and management, and other similar or related firm operating functions. The individuals who perform these services for our firm may have access to our client confidential information. Although these individuals are not employees of the firm, each is bound by a duty of confidentiality and has the same obligations to preserve confidentiality as our own employees. If you object to or have concerns about our use of such service providers, please let us know immediately so that we can make other arrangements.

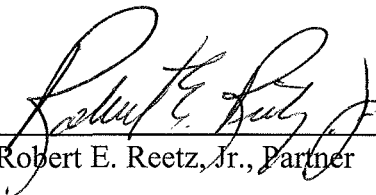
It is a policy of this Firm to require a retainer from new clients and from existing clients under certain circumstances. However, we have waived the retainer requirement in this instance. You agree to pay all statements of fees and expenses upon receipt, according to the terms of this letter.

The Firm looks forward to representing the County in connection with the Representation, and the possibility that the Firm could be of service to the County on other matters in the future. If this letter accurately states our agreement, please sign the letter below and return copy to me. In the future, if you engage the Firm to handle matters other than the Representation, we may send you letters describing the additional scope of that representation. Those letters do not need to be signed by you as the terms of that representation will continue to be governed by this letter.

Thank you for the opportunity to be of service to you.

Sincerely,

MCGINNIS LOCHRIDGE & KILGORE, L.L.P.

By: 
Robert E. Reetz, Jr., Partner

RER/vma

**ACCEPTED AND AGREED TO THIS
THE ____ DAY OF AUGUST, 2017**

WILLIAMSON COUNTY

By: _____
County Judge, Dan A. Gattis