

COPY

**ORDER AUTHORIZING HIRING OF BOND COUNSEL
ON A CONTINGENCY FEE BASIS**

WHEREAS, Polk County, Texas (the "County"), is a duly organized and operating County of the State of Texas, and its governing body is the Commissioners Court of Polk County, Texas (the "Commissioners Court"); and

WHEREAS, the County has a substantial need for legal services for the issuance of refunding bonds (the "bonds"); and

WHEREAS, the legal services cannot be adequately performed by the attorneys and supporting personnel of the County as the issuance of bonds by the County requires specialized skills and experience and a firm that is a nationally recognized bond counsel who can opine on the validity and appropriateness of the bonds, when issued; and

WHEREAS, the services required are not typically available and cannot reasonably be obtained from attorneys in private practice under a contract providing only for the payment of hourly fees, without regard to the outcome of the matter, because such a contract would require the County to incur costs and expenses which would need to be borne even if the bond election failed or the County ultimately determined not to issue bonds. The nature of the bond counsel engagement with Bickerstaff Heath Delgado Acosta LLP of Austin, Texas (the "Law Firm") is feasible only because the Law Firm is agreeing to provide the services on a contingent fee basis and thus bears the risk if the bond election were to fail, or the County ultimately determined that it was not practical or feasible to issue the bonds; and

WHEREAS, absent the issuance of bonds, the County does not have funds to pay the estimated amounts required under a contract providing only for the payment of hourly fees; and

WHEREAS, the County, by and through its Commissioners Court and pursuant to all relevant authority, desires to retain and acquire legal counsel and the professional legal services of the Law Firm regarding the legal matter ("Legal Matter") described in the attached **Exhibit 1**.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Commissioners Court of Polk County, Texas, for and on behalf of the County and in the public interest, hereby orders and approves the following:

- (1) It is necessary, proper, and advisable for the County and its Commissioners Court to be represented by the following law firm regarding the Legal Matter due to the legitimate and principal interests of the County and the public as herein described: Bickerstaff Heath Delgado Acosta LLP of Austin, Texas.

- (2) The Law Firm is hereby retained by the Commissioners Court on behalf of the County, and is formally engaged and hired for the Legal Matter, to provide legal counsel and related professional and personal services pursuant to and described in the contract for legal services ("Engagement Agreement") hereby authorized and executed between the parties, said agreement being approved and attached as Exhibit 1.
- (3) The Polk County Judge is authorized and directed to execute the Engagement Agreement on behalf of the County.
- (4) Unless otherwise designated, the past, present, or future tense shall each include the other, the masculine, feminine, or neuter gender shall each include the other, and the singular and plural number shall each include the other where necessary for a correct meaning in this order.
- (5) This order shall take effect immediately from and after its passage and enactment.
- (6) All preliminary recitals of this order and all attached documents are incorporated by reference.
- (7) This order was considered and approved at a meeting held in compliance with Chapter 551 of the Texas Government Code, the Texas Open Meetings Act.
- (8) The Commissioners Court grants an exemption regarding the Engagement Agreement from the competitive bidding and procurement requirements of Section 262.023 of the Texas Local Government Code, pursuant to and in accordance with Section 262.024 of the Texas Local Government Code and other authority, in view of the professional and personal services to be rendered by the Law Firm to the County and its Commissioners Court regarding the Engagement Agreement and Legal Matter.

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ORDERED, APPROVED, AND ADOPTED on the 10th day of February, 2020.

**COMMISSIONERS COURT
POLK COUNTY, TEXAS**

County Judge
Polk County, Texas

County Commissioner, Precinct 1
Polk County, Texas

County Commissioner, Precinct 2
Polk County, Texas

County Commissioner, Precinct 3
Polk County, Texas

County Commissioner, Precinct 4
Polk County, Texas

ATTEST:

County Clerk
Polk County, Texas

[COMMISSIONERS COURT SEAL]

EXHIBIT 1
(Engagement Agreement for Legal Services)



February 10, 2020

The Honorable Sydney Murphy
Polk County Judge
101 West Church Street
Suite 300
Livingston, Texas 77351

RE: Polk County, Texas – Bond Counsel Agreement

Dear Judge Murphy:

This letter is submitted to state our fees and describe our legal services in performing the duties of bond counsel for Polk County, Texas (the “County”) in connection with the issuance of the County’s proposed bonds (the “Bonds”), or other financing, as may be assigned to the firm by the County from time to time during the term of this agreement.

SERVICES

Generally, we will perform all usual and necessary legal services as bond counsel in connection with the authorization, issuance, and delivery of the Bonds. Specifically, we will prepare and direct the legal proceedings and perform the other necessary legal services with reference to the authorization, issuance, and delivery of the Bonds, including the following:

1. Prepare all resolutions, orders, notices and other instruments pursuant to which the Bonds will be authorized, issued, delivered and secured, including election proceedings, if necessary, in cooperation and upon consultation with the Commissioners Court, their consultants, and other legal and financial advisors and consultants of the County.
2. If an election is required, prepare documents for calling bond election.
3. Attend meetings of the Commissioners Court with reference to the authorization and issuance of the Bonds to the extent required or requested.
4. Cooperate with the Commissioners Court and all other interested parties in the sale of the Bonds to the purchasers.

5. Submit bond transcript to the Attorney General for approval and obtain the registration of the Bonds by the Comptroller of Public Accounts of the State of Texas as required by law.
6. Supervise the execution of the Bonds and the delivery thereof to the purchasers.
7. Prepare documents for closings, provide instructions and advice for closings, and attend closings.
8. When the Bonds are issued, we will give our approving opinion covering the validity of the Bonds and the exemption of interest from federal income taxes, it being understood that the approving opinion will be fully acceptable nationally in regular commercial investment banking bond marketing channels.
9. Provide post-issuance advice, as may be requested by the Commissioners Court, or other County representatives, concerning the application of Bond proceeds.

COMPENSATION

The fee covering the legal services of this firm, as bond counsel, for the issuance of the Bonds, is as follows:

New Money Bonds

\$10,000 for the first million dollars of Bonds; and
\$1.00 per \$1,000 of Bonds over \$1 million.

\$10,000 minimum fee.

Refunding Bonds

\$11,000 for the first million dollars of Bonds; and
\$1.00 per \$1,000 of Bonds over \$1 million.

\$11,000 minimum fee.

Also, we would expect to be reimbursed for our actual client costs advanced (expenses) reasonably and necessarily incurred in connection with the election, authorization, issuance, and delivery of such Bonds, *i.e.*, travel, photocopies, courier, Form 8038-G filing and the Attorney General's filing fee. A list of our current costs for expenses is enclosed.

Our fees and expenses in connection with the issuance of the Bonds will be payable at the time of the delivery of and payment for the Bonds, but our fees for these services are wholly contingent upon actual issuance of the Bonds. Should the Bonds not be issued, the County would be

would be responsible only for payment of the costs of any newspaper publications or translation services incurred.

LIMITATION OF REPRESENTATION

The foregoing legal services as bond counsel do not include any direct responsibility for the "disclosure obligations" owed to the investing public under the federal securities laws and the various state securities laws, and this is to state that our engagement is not that broad. We will, however, provide assistance to the County in identifying what the County's responsibility is in meeting its continuing disclosure responsibilities.

Your financial advisor will be responsible for the preparation of an Official Statement or any other disclosure document with respect to the Bonds. While we are not responsible for performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document, our responsibility will include the preparation or review of any description within the Official Statement of: (i) federal law pertinent to the validity of the Bonds and the tax treatment of interest paid on the Bonds, (ii) the terms of the Bonds, and (iii) our opinion.

The fees discussed herein do not apply in litigation work in reference to the Bonds or matters separate from that actual issuance of debt. The scope of any litigation representation or other work assigned by the County and the rates fees in respect to these services shall be agreed upon between the County and the undersigned prior to the initiation of services and will be billed monthly.

CANCELLATION OF AGREEMENT

The arrangement may be terminated by either the firm or the County at any time upon 30 days written notice to the other party.

The Honorable Sydney Murphy
Polk County, Texas
February 10, 2020

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ACCEPTANCE

If the arrangement proposed is satisfactory, please indicate the County's acceptance by signing the acceptance clause below and return one copy of this letter to me.

We look forward to working with you on the successful completion of the project.

Respectfully submitted,

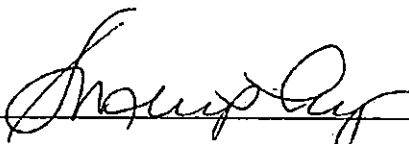
BICKERSTAFF HEATH DELGADO ACOSTA LLP



David Mendez

ACCEPTED the 10th day of February, 2020:

POLK COUNTY, TEXAS

By: 
Name: Sydney Murphy
Title: Polk County Judge

Client Costs Advanced
Bickerstaff Heath Delgado Acosta LLP

The firm incurs expenses on behalf of clients only when required by the legal needs of the clients. Some cases or matters require extensive use of outside copy facilities, and other cases may not be so paper-intensive. Standard services handled within the firm are not charged, and client specific expenses are billed to the client needing those services. An explanation of the billing structure is as follows:

Not Charged: Secretarial and word processing time, routine postage, file setup, file storage, local or ordinary long distance charges, fax charges, and computerized legal research data charges.

Delivery Services: Outside delivery services are used for pickup and delivery of documents to the client as well as to courts, agencies, and opposing parties. Outside delivery fees are charged to the client at the rate charged to the firm. Overnight delivery services are also charged at the rate charged to the firm. Firm Office Services Department personnel may provide delivery service in urgent situations and charges for such in-house service will not exceed the charge that would be made by an outside service in a similar situation.

Postage: Our postal equipment calculates exact U.S. postage for all sizes and weights of posted material. The rate charged for postage is the same as the amount affixed to the material that is mailed. We will not charge clients for postage on routine correspondence; however, the cost of large-volume mail, certified mail, or other additional mail services will be charged to the client.

Copies and Prints: Our standard rate for black and white copies and prints made by firm personnel is \$0.15 per page. Color copies and prints are charged at a standard rate of \$0.55 per page. These charges cover paper, equipment costs, and other supplies. If savings can be realized within the required time frame by sending copy jobs to subcontractors, the firm uses only qualified legal services copiers and the cost charged to the client is the same as the amount billed to the firm.

Phone Charges: Only charges for conference calls or international calls are charged, and charges are billed at the same amount billed to the firm by the outside provider.

Travel: Attorney and other timekeeper time spent traveling on behalf of a client is billed to the client. Hotel, meals, local transportation, and similar expenses are charged based on receipts and travel expense forms submitted by the attorney. Documentation is available to the client if requested.

Maps: Maps produced in conjunction with a project will be billed at \$50 for each 34 x 44 inch map and \$20 for each smaller map, plus cost (time fees) for preparation.

Other Expenses: Expenses incurred with outside providers in connection with the client's legal services will be paid by the client directly to the outside provider unless specifically arranged in advance. If the firm agrees to pay outside providers, the cost charged to the client is the same as the amount billed to the firm. Examples of such charges include: court reporter fees, filing fees, newspaper charges for publication notices, expert witness fees, consultants and other similar expenses.

Verification Required by Texas Government Code Chapter 2271
Bickerstaff Heath Delgado Acosta LLP

By signing below, Bickerstaff Heath Delgado Acosta LLP hereby verifies the following:

1. The Firm does not boycott Israel; and
2. The Firm will not boycott Israel during the term of this Engagement Agreement.

SIGNED BY:



David Mendez
February 10, 2020

This Verification is incorporated and made a part of the Engagement Agreement between Bickerstaff Heath Delgado Acosta LLP and the Polk County, Texas.