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November 16, 2018

Mr. Robert Camareno
City Manager
City of New Braunfels
550 Landa Street
New Braunfels, TX 78130

Re: Proposal for Representation in 2019

Dear Mr. Camareno:

Based on our discussions, we submit this proposal to continue to assist the City of New Braunfels ("City") during 2019 by providing legal services, including law-related services such as legislative lobbying, concerning: (1) Federal funding and other Federal support for various City projects, and (2) the City's initiatives on Federal legislative and regulatory issues. Our efforts will include working with the City's Congressional delegation for support on legislation and matters with Federal agencies and working directly with Federal agencies to obtain funding or approvals through their programs. During 2018, we assisted the City on the following Federal matters.

A. New Braunfels Regional Airport.

During the past several years, we have assisted the City on several issues concerning the New Braunfels Regional Airport ("Airport").

1. Federal Contract Tower Program Funding.

The Federal Aviation Administration's ("FAA") Federal Contract Tower Program provides approximately \$400,000 in annual funding for the controllers at the Airport's air traffic control tower. Congress has to renew the funding for the overall Contract Tower Program each year and our efforts in 2018 focused on FY 2018 and FY 2019 funding. These efforts included requesting support from the City's Congressional delegation, working with Congressional staff, coordinating with the U.S. Contract Tower Association, and tracking and advising the City about developments throughout the process. Congress provided the necessary funding for FY 2018 and, thus far, it appears that Congress will provide the necessary funding for FY 2019, though Congress has not yet passed the final bill. During 2019, Congress will consider funding for FY

2020. We propose to continue to support the City's efforts on this issue during 2019 to ensure sufficient funding for the overall Program and for the Airport.

2. Federal Contract Tower Program Benefit/Cost Analysis.

The FAA has been in the process of revising the benefit/cost analysis that it uses to determine whether to allow an airport to enter the Contract Tower Program. Airports have been concerned that the FAA will add new costs to the analysis, reduce the factors used to calculate benefits, and, of great concern, then apply the new analysis to airports, such as New Braunfels, that are already in the Program, all in a way that would force some airports out of the full funding Program and into the cost-share Program. For the past several years, we have worked closely with our Congressional delegation and the Contract Tower Association in support of provisions in the Federal Aviation Reauthorization Bill that would limit what the FAA can do in revising the benefit/cost analysis. This effort was successful in that the recently-enacted Federal Aviation Reauthorization Act of 2018 includes requested provisions that impose helpful restrictions on the FAA's Benefit/Cost Analysis.

3. Federal Funding and Approvals for Airport Projects.

We understand that the City is working on a Master Plan Update for a series of development projects at the Airport over the next several years. The Update is expected to be completed later this year. Once this is done, we propose to assist the City in working with the FAA and our Congressional delegation in implementing this new Master Plan, including working to obtain funding and approvals under the FAA's Airport Improvement Program, the Contract Tower Program, and other FAA programs that might assist the Airport.

4. Aquifer Storage Recovery Project.

The City is working with New Braunfels Utilities on an Aquifer Storage Recovery Project that would be located at the Airport. The use of Airport property for non-aviation purposes requires FAA approval pursuant to standard provisions in the City's grant agreements with the FAA. We are assisting the City in its efforts to obtain FAA approval, including working with the FAA's Fort Worth Office.

B. Federal Grants.

We have continued to assist the City in its efforts to obtain Federal grant funding and have provided information on the availability of funding under various programs, including the Assistance to Firefighters grants and Economic Development Administration grants. We propose to continue to assist the City in these efforts.

C. Economic Development Administration Trade Tour.

In April, 2017, New Braunfels participated in a multi-national Trade Tour sponsored by the Economic Development Administration. The Trade Tour provided the City a valuable opportunity to promote its advantages as a place for foreign companies to invest and do business. We supported the City's efforts by arranging and participating in meetings with the Economic Development Administration in Washington during the past three years. For 2019, we propose follow-on meetings with the Economic Development Administration to continue to reap the benefits from future International Trade Tours.

D. Flood Mitigation Program.

The City has a comprehensive, multi-year Flood Mitigation Program. Flooding in New Braunfels and throughout the region shows the benefits of this program and also the importance of continuing it. The Federal government has a strong role in flood control issues, including grants through the Federal Emergency Management Administration ("FEMA"), approval of revised flood maps by FEMA, and approval of flood mitigation projects by the Army Corps of Engineers. We propose to assist the City in obtaining support for its Flood Mitigation Program from these and other Federal agencies as well as our Congressional delegation.

E. High-Speed Internet Service.

We understand that the City is seeking to obtain high-speed internet service throughout the community. During our meetings in Washington, we have met with the National Telecommunications and Information Office ("NTIA"), which has been supportive in providing information and technical support on this issue. We understand that the City will continue moving forward with this important initiative in 2019. We propose to support the City's efforts, including obtaining additional support from the NTIA and exploring opportunities for Federal funding for improved internet service in New Braunfels.

F. Federal Legislative and Regulatory Issues.

We have routinely tracked Federal legislative and regulatory issues that are of interest to the City, such as the FAA Reauthorization Bill, as noted above, and the Tax Reform Bill, and have advocated for the City's positions. With respect to the Tax Reform Bill, we advised the Congressional delegation about the need to maintain the tax exempt status of municipal bonds, which reduces the costs of financing for New Braunfels and other cities. In 2019, the Administration and Congress might move forward with a large-scale Infrastructure Program. If this Infrastructure Program moves forward, we propose to support the City's efforts to obtain funding for municipal infrastructure projects.

During 2019, we propose to monitor these initiatives and other ones that might arise, advise the City of developments, represent the City's interests with our Congressional delegation and Federal agencies, and seek support for the City's positions.

G. Meetings in Washington, D.C.

In 2018 and in prior years, we arranged and participated in meetings with City officials and Members and staff of the Congressional delegation, Economic Development Administration officials, NTIA officials, and telecommunications counsel on a variety of Federal issues. We have also assisted the City with opportunities for Congressional Members and staff to visit New Braunfels, meet with City officials, and tour City projects and we have provided support for these meetings. We recommend that City officials continue the annual visit to Washington and the Congressional meetings in New Braunfels and we propose to continue to assist the City on these efforts.

H. Proposal for 2019.

For 2019, we propose to assist the City on the foregoing Federal issues and other ones that might arise and propose a retainer of \$54,000 plus expenses for the period January 1, 2019 through December 31, 2019, which would be \$4,500 per month plus expenses. This is the same

amount that is in place for this year. Our Billing and Payment Policies are attached. It has been our practice to work closely with the City as part of its team and we will be in regular contact through telephone calls and emails with you and other City officials and will keep you apprised of developments.

If this proposal is acceptable, please confirm the City's agreement by executing the enclosed copy of this letter in the space provided and returning it to me. It continues to be a privilege to be a part of the City's team here in Washington and we appreciate the opportunity to be of assistance.

Sincerely,

A handwritten signature in dark ink, appearing to read "Richard J. Leidl", written in a cursive style.

Richard J. Leidl
President

The foregoing is agreed to:

The City of New Braunfels

By: _____
Robert Camareno
City Manager

Dated:

Billing and Payment Policies for 2019

The proposed charges for expenses are set forth below.

Photocopying	No charge, except for large volumes handled by a vendor, in which case the photocopying will be billed at the rate charged by the vendor.
Facsimile	No charge.
Postage	No charge.
Mileage	No charge.
Telephone	Long-distance telephone charges and conference call charges are billed at cost.
Computerized Legal Research	Billed at rates charged by computerized research vendors (e.g., Lexis, Westlaw).
Airfare	Coach class.
Other Travel Expenses	At cost.
Other Third Party Charges	All other third party charges, including overnight delivery services, are billed at the rates charged by these third parties.

The City's approval in advance shall be required for airfare and other travel expenses and for any individual expense item that exceeds \$200.00. As a result of billing delays by outside vendors, some charges may be billed later than the period in which the corresponding services are rendered.

The Firm shall submit invoices on a monthly basis and payment shall be due within 30 days. The City shall have the right to terminate this Agreement at any time. The Firm shall have the same right, subject to any professional obligation to give the City reasonable time to arrange alternative representation and subject to the rules of any applicable court or tribunal. In the event of a termination of the Firm's services, the City shall be obligated to pay for fees and other non-fee charges incurred prior to the delivery of the notice of termination.