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## STANDARD TERMS OF ENGAGEMENT

This document establishes the standard terms of our engagement as your attorneys. Unless modified in writing by mutual consent, these terms will be an integral part of our agreement. Therefore, we ask that you carefully review this statement and contact us promptly if you have any questions. We suggest that you retain this document in your file.

### I. Our Relationship

#### 1. Identity of Client

The *Bojorquez Law Firm, PC* ("Firm") will represent the *City of Lake Dallas, Texas* ("Client").

#### 2. Nature of Representation

While in the future we may be directed to represent the Client on other matters, our present relationship can be described as follows:

Serve as *Special Counsel on Ethics*, and provide Ethics training to Officers and Officials.

#### 3. Scope of Work

As the client, it is imperative that you have a clear understanding of the services the Firm will provide. Any questions that you have should be dealt with promptly. We will provide services related only to matters as to which we have been specifically engaged. The Firm will at all times act on your behalf to the best of our ability.

Any expressions on our part concerning the outcome of the Client's matters are expressions of our best 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.

#### 4. Client Responsibilities

You agree to cooperate fully with the Firm and to provide us promptly with all information known or available to you relevant to our representation. The Client agrees to pay in accordance with these STANDARD TERMS OF ENGAGEMENT.

#### 5. Responsibilities of the Bojorquez Law Firm

The Firm is committed to meeting the Client's legal needs. In doing so, the Firm will: act competently and in a timely manner; protect the Client's privileged information and ensure appropriate confidentiality. The Firm verifies that the Firm does not boycott Israel and will

not boycott Israel during the term of this agreement.

**6. Ethical Conflict of Interest Disclosure**

A potential conflict could arise with respect to the subject matter of this representation. Based on the information now available at this time, the Firm is not aware of any actual conflicts among City and any other municipal entity. If the Client becomes aware of anything that may suggest an actual conflict of interest, please bring it to the Firm's attention immediately.

**II. Fees, Billing and Administrative**

**1. Fees for Legal Services**

The charges for professional services provided by the Firm will typically be based upon the following: (1) the time devoted to the matter; (2) the novelty and difficulty of the questions presented; (3) the requisite experience, reputation and skill requested to deal with those questions; (4) time limitations imposed by the circumstances; (5) and the quality of the results obtained. Fees and costs for particular matters are unpredictable and we have made no commitment concerning maximum fees or costs. Unless otherwise indicated in writing, our fees for legal services are determined on the basis of the hourly rates of the respective attorney that will perform the services. These rates may vary depending on the expertise and experience of the individual. We adjust these rates from time to time, increasing them as the individuals gain experience and expertise and to reflect current economic conditions. We will notify you in writing if this fee structure is modified.

**Hourly Rates:** All billings shall be as follows, and are invoiced in increments of one-tenth (.10) hours (i.e., in six-minute increments):

- Managing Attorney (Alan Bojorquez)      \$250.00 per hour
- Of Counsel Attorney                              \$195.00 per hour
- Senior Associate Attorney                      \$175.00 per hour
- Associate Attorney                                \$170.00 per hour
- Paralegal/Law Clerk                              \$100.00 per hour

**2. Training**

Specific training services can be billed at an hourly rate or for a flat rate negotiated between the Firm and the Client. For example, the Firm agrees to conduct a two-hour session covering Codes of Conduct (generally), Texas Law, and the Lake Dallas Code of Ethics for a flat fee (all-inclusive) of:

- In Person:    \$3,900.00
- Online:    \$1,600.00

**3. Rate Adjustment**

Billing rates are subject to increase a maximum of ten percent (10%) annually. No rate increase will exceed ten percent (10%) without first obtaining consent from the designated primary client representative. The Client will be notified in writing when a rate adjustment will occur.

#### **4. Other Charges and Handling Fees**

All out-of-pocket expenses (such as long-distance telephone charges, copying charges, travel expenses, courier expenses, etc.) incurred by the Firm in connection with representing you will be billed to you as a separate item on your monthly statement.

A five percent (5%) handling fee will be assessed on all out-of-pocket expenses incurred on behalf of the Client for consulting and other professional requirements of a matter.

#### **5. Billing Procedures & Terms of Payment**

Our billing period begins on the 27<sup>th</sup> of the month and ends on the 26<sup>th</sup> day of the following month. We will render monthly statements to you for legal services and expenses. We usually mail these statements toward the beginning of the month, following the latest date covered in the statement. Each statement is payable within thirty (30) days of its stated date and must be paid in U.S. Dollars. If any statement is not paid within thirty (30) days after its stated date, interest at the rate of six percent (6%) per month and eighteen percent (18%) per annum will accrue on the balance due. However, if at any time eighteen percent (18%) per annum exceeds the highest interest rate permitted by applicable law, then the interest rate that will be applied to any overdue amounts will be reduced to the maximum rate permitted under applicable law. If you have any questions or concerns about any statement that we submit to you for payment, please contact us at your earliest convenience so that we can resolve any problems without delay. If unresolved, overdue invoices may result in discontinuation of representation of the Client. Typically, such issues can be resolved to the satisfaction of both sides with little inconvenience or formality.

#### **6. Retention of Documents**

Although we will attempt to retain for a reasonable time copies of most documents generated by this Firm, we cannot be held responsible in any way for failure to do so, and we hereby expressly disclaim any such responsibility or liability. You must ultimately retain all originals and copies you desire among your own files for future reference. After our representation expires or terminates, we will provide you or a successor attorney whom you designate in writing with in a reasonable time with copies of any or all client paper and electronic files still in our possession that you may request in writing, at your sole expense for locating, reviewing, copying and delivering the requested materials.

#### **7. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, United States of America. Venue of any case or controversy arising under or pursuant to this Agreement shall be in *Denton County*, Texas, United States of America.

### **III. Termination of Services**

You have the right to terminate our services at any time upon providing written notice to us. Upon receipt of written notice from you, we will immediately cease to render additional services to the extent we can do so without jeopardizing your legal interests or our ethical obligations.

We reserve the right to discontinue work on pending matters or terminate our attorney-client relationship with you at any time that payment of your account becomes delinquent. We also reserve the right to withdraw when obligated by the *Texas Rules of Disciplinary Conduct*.

Additionally, if you fail to follow our advice and counsel, or otherwise fail to cooperate reasonably with us, we reserve the right to withdraw from representing you upon short notice, regardless of the then status of your matter. No termination shall relieve you of the obligation to pay fees and expenses incurred prior to such termination. Unless otherwise agreed in writing, representation will cease upon your payment in full of all fees due, and my Firm's conveyance of your files to the destination you designate. The Firm's files (work product), will be retained at the Firm.

#### **IV. Internal Revenue Service (IRS) and Texas Workforce Commission (TWC) Status**

##### **1. Independent Contractor (IC)**

For purposes of federal income tax or social security withholdings, the Firm is an IC responsible for payment of its own taxes and not an employee of the Client. The Firm, and not the Client, is obligated to arrange for the required federal withholdings of the Firm's employees. Below is a summary of the IC versus employee requirements and a good general overview of how our services will be provided.

##### **2. The Internal Revenue Service**

The IRS assesses three (3) factors of the employer/individual relationship: behavioral control, financial control, and relationship of the worker and firm to determine who is an employee and who is an Independent Contractor. (*See* IRS Form SS-8). Again, depending on the type of business and the services performed, not all sections of the form may apply, and the weight assigned to a specific factor may vary depending on the facts.

##### **3. The Texas Workforce Commission**

The TWC has adapted the old IRS twenty-factor test, known as the "direction or control" test to determine who is an employee and who is an IC (*see* TWC Form C-8). Depending on the type of business and the services performed, not all of the twenty common law factors may apply, and the weight assigned to a specific factor may vary depending upon the facts.

Below are considerations for the TWC's twenty-factor test, which also generally address issues of behavioral control, financial control, and relationship of the worker and firm.

##### **(a) Financial Control**

In general, an employee is usually paid for their time, whereas an independent contractor is usually paid by the job. An employee usually does not negotiate their pay, whereas an independent contractor usually negotiates their pay to ensure a profit. An employee is not expected to invest in the business they work for so the employer takes care of tax matters and expenses, whereas an independent contract is investing in their independent business so the IC takes care of all expenses and taxes.

**(b) Relationship of Worker & Business Entity**

In general, an employee does not usually advertise their services, whereas an IC does. An employee carries business cards that reflect the employer's name, whereas an IC carries business cards that reflect the IC's business name. An employee is primarily reached at the employer's phone number, whereas an IC is primarily reached at their business phone number.

**(c) Behavioral Control**

In general, an employer contracting for IC services is normally interested in the end result, not in the details of how the work is done. The employer should have no interest in how the IC allocates his or her time, or who the IC hires to assist (other than requiring proper licensure).

**V. Questions**

If during the course of our representation you have any questions about any aspect of our arrangements, please feel entirely free to raise those questions. The Firm wants all of our clients to have a clear and satisfactory understanding about every aspect of our billing and payment policies. Accordingly, we encourage an open and frank discussion of any or all of the matters mentioned in this document.

**VI. Acceptance of and Consent to the Standard Terms and Engagement**

If this arrangement is acceptable to you, please sign these Terms and return to the Firm at your earliest convenience. We are truly honored that you are willing to make our Firm part of your team.


**AGREED TO & ACCEPTED:**

by:

  
\_\_\_\_\_  
John Cabrales, City Manager  
City of Lake Dallas

date: Nov. 17, 2020

by:

  
\_\_\_\_\_  
Alan Bojorquez, Managing Attorney  
Bojorquez Law Firm, PC

date: November 11, 2020

*Please return a signed original via mail, fax, or email.*