

K18-284
18-CA-012

STATE OF TEXAS § AGREEMENT FOR
 §
COUNTY OF McLENNAN § GOVERNMENT RELATIONS AND
 § PUBLIC POLICY SERVICES

THIS AGREEMENT is made by and between the CITY OF WACO, TEXAS ("City") and HANCE SCARBOROUGH, LLP, Washington, DC ("Hance Scarborough"), collectively referred to as "the parties."

WHEREAS, Hance Scarborough has background, experience, and expertise in providing government relations and public policy services and is willing to provide such services to the City based upon this background, experience, and expertise; and

WHEREAS, the City desires to have said services provided by Hance Scarborough,

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto do mutually agree as follows:

1. **RECITALS.** That all of the recitals and preamble hereinabove stated are found to be true and correct and are incorporated herein and made a part of this Agreement.
2. **DESCRIPTION OF SERVICES.** Hance Scarborough will provide the work and services ("services") as set forth in Exhibit A, which is incorporated herein by reference.
3. **INCREASE IN SERVICES.** In the event the parties mutually agree to add additional services to be performed by Hance Scarborough or to otherwise expand or decrease the services ("changes to the Agreement"), such changes to this Agreement must be reduced to writing and approved in writing by the parties, with the city manager signing on behalf of City.
4. **TERM.** The term of this Agreement shall be for six (6) months beginning on June 1, 2018, and ending on November 30, 2018.
5. **USE OF SUBCONTRACTORS.** None of the services covered by this Agreement shall be subcontracted without the prior written consent (including consent delivered by e-mail or facsimile) of City. Hance Scarborough shall remain liable for obligations performed by subcontractors to the same extent as if an employee of Hance Scarborough had performed such obligations, and for purposes of this Agreement, such work or services shall be deemed work performed by Hance Scarborough. Hance Scarborough will provide copies of agreements with all subcontractors within ten (10) days of any request for said agreements by City.
6. **PAYMENT.**
 - a. For services performed under this Agreement, City shall pay Hance Scarborough an amount of \$7,500.00 (the "service fee") each month. Hance Scarborough will

invoice the City for the service fee each month in advance. City shall also pay Hance Scarborough for expenses, but expenses will not exceed \$150.00 per month without the prior approval of City. All expenses for the present month will be invoiced approximately one month after such expenses are incurred. Expenses may include airfare, lodging, meals, cab fare, and other miscellaneous expenses in furtherance of City's objectives. In no event shall the total amount expended under this Agreement exceed \$49,000.00.

- b. Such invoice(s) shall be submitted as follows:

Mail to: City of Waco
ATTN: Wiley Stem III
City Manager's Office
P.O. Box 2570
Waco, Texas 76702-2570

Hand delivered: City Manager's Office
300 Austin Ave.
Waco, Texas 76701

Facsimile: 254-750-5880
Attn: Wiley Stem III

- c. Invoices for expenses shall reflect itemized.
- d. Payments shall be payable by City within thirty (30) days of receipt of the invoice(s).

7. **INVOICE SUBMITTAL.** Hance Scarborough shall present invoices in the following form and content:

- a. each invoice must reference the City of Waco agreement number, if any; and
- b. each invoice must have a billing number which reflects in sequence the number of invoices that have been submitted on the Agreement.

The invoice requirements stated herein shall not be read to disallow or exclude other information that may be otherwise required or requested by City. Such information required herein must be submitted only on an invoice and not in any other noninvoice form or document.

8. **TERMINATION.** This Agreement shall automatically terminate at the end of the term of this Agreement. Either party may terminate this Agreement at any time, with or without cause, by giving the other party sixty (60) days' written notice. Written notice shall include notice delivered via e-mail or facsimile.

9. **RELATIONSHIP OF PARTIES.** It is understood and agreed by the parties that Hance Scarborough is an independent contractor with respect to City and not an employee of City. City will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of Hance Scarborough, and Hance Scarborough shall act solely as an independent contractor in performing the services referenced herein and shall have no right or authority to act for City and will not enter into any contract or other agreement, or incur any debt, liability or obligation of any nature in the name of, or on behalf of, City.

10. **INSURANCE AND INDEMNITY**

Hance Scarborough agrees to the provisions contained in Exhibit B to this Agreement which is attached hereto and incorporated herein by reference.

11. **NOTICES.**

- a. All notices required or permitted under this Agreement shall be in writing and shall be deemed delivered after five (5) days from the date shown to be mailed.

- b. Notice to City shall be delivered to Wiley Stem III, City Manager, at the address stated in Paragraph 6 above.

- c. Notice to Hance Scarborough shall be delivered to the following address:

Hance Scarborough, LLP
Attn: Damon Wells
400 W. 15th Street, Suite 950
Austin, Texas 78701

- d. Such addresses or contact persons may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

12. **INTEREST OF PARTIES.**

- a. No member of the governing body of City, and no other officer, employee, or agent of City shall have any personal interest, direct or indirect, in this Agreement.

- b. No member of a governmental body, subdivision, or agency thereof located in McLennan County, who exercises any functions, or responsibilities in the review or approval of the carrying out of the Agreement, or goods or services to which this Agreement pertains, shall have any personal interest, direct or indirect, in this Agreement.

13. **DISCRIMINATION.** No one will, on the grounds of race, creed, color, national origin, disability, age, or gender be subject to discrimination in the performance of this Agreement.
14. **WAIVER OF CONTRACTUAL RIGHT.** The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement. No delay or omission by either party hereto to exercise any right or power hereunder shall impair such right or power or be construed to be a waiver. A waiver of any breach of this Agreement by either of the parties shall not be construed to be a waiver of any succeeding breach or of any other covenant herein contained. All remedies provided for in this Agreement shall be cumulative and in addition to and not in lieu of any other remedies available to either party at law, in equity or otherwise.
15. **ENTIRE AGREEMENT.** This Agreement contains the entire agreement of the parties, and there are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.
16. **ACCESS TO RECORDS.** City and any of its duly authorized representatives shall have access to any books, documents, papers and records of Hance Scarborough which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcriptions. It is expressly understood that upon receipt of substantial evidence of Hance Scarborough's refusal to comply with this provision, City will have the right to terminate this Agreement without prior notice.
17. **RETENTION OF RECORDS.** Hance Scarborough shall retain all records relating to this Agreement for five years after City makes final payment and all other pending matters are closed.
18. **FORCE MAJEURE.**
 - a. In the event performance by either party of its obligations under this Agreement shall be interrupted or delayed by or as a consequence of a fire, flood, severe weather, or other act of God, war, insurrection, civil disturbance, or act of state, that party shall be excused from such performance for the period of time such occurrence shall have lasted or such period as is reasonably necessary to rebuild or take other action necessary to resume performance. The period of time reasonably necessary to rebuild or take other action necessary to resume performance shall be as determined by the agreement of the parties, which agreement shall be negotiated and arrived at in good faith.
 - b. Each party shall notify the other of any matter covered by subparagraph 18.1, the occurrence of which interferes or threatens to interfere with the performance of any of its obligations under this Agreement. Upon such notice, the parties

shall consult and cooperate as to measures which may be taken to overcome the interference or as to alternative measures which may be undertaken by the parties with a view to the continued performance of the Agreement.

19. **VERIFICATION REQUIRED BY TEXAS GOVERNMENT CODE SECTION 2270.001.**

Hance Scarborough acknowledges that effective September 1, 2017, the City is required to comply with Section 2270.001 of the Texas Government Code, enacted by House Bill 89 (85th (R) Texas Legislature), which requires that a governmental entity may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it does not boycott Israel and will not boycott Israel during the term of the contract. By executing this Agreement, Hance Scarborough verifies that it does not boycott Israel and will not boycott Israel during the term of this Agreement.

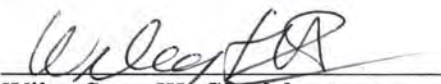
20. **ADDITIONAL PROVISIONS**

- a. **Exhibits.** All exhibits described in this Agreement are attached hereto and incorporated herein by reference for all purposes. Exhibits attached this Agreement are:
- (1) Exhibit A - Proposal
 - (2) Exhibit B – Insurance and Indemnification Requirements
 - (3) Exhibit C – Disclosure Forms [CIQ and Charter Compliance]
- b. **Choice of Law and Venue.** This Agreement is governed by the laws of the State of Texas. Venue for any litigation is in a court of competent jurisdiction in McLennan County, Texas.
- c. **Misspelled words.** Misspelling of one or more words in this Agreement shall not void this Agreement. Such misspelled word shall be read so as to have the meaning apparently intended by the parties.
- d. **Assignment.** Neither party shall assign or transfer any right or interest in this Agreement, in whole or in part, without prior written approval of the other party.
- f. **Benefits.** This Agreement shall bind, and the benefits thereof shall inure, to the respective parties hereto, their legal representative, executors, administrators, successors, and assigns.
- g. **Severability.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

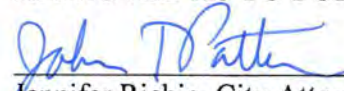
- h. **Gender.** Words used in the singular shall include the plural if and when applicable, and words used in the plural shall include the singular if and when applicable.
- i. **Time.** Time is of the essence of this Agreement.
- j. **Headings.** The paragraph and subparagraph headings and numbering contained herein are for convenience and reference and are not intended to define or limit the scope of any provision of this agreement.
- k. **Multiple Copies.** This Agreement may be executed in multiple counterparts each of which constitutes an original.

This Agreement has been duly executed on this 31st day of May, 2018.


CITY OF WACO, TEXAS

By: 
Wiley Stem III, City Manager

APPROVED AS TO FORM AND LEGALITY:


for Jennifer Richie, City Attorney

HANCE SCARBOROUGH, LLP

By: 
Name: Damon Wells
Title: Senior Policy Advisor



HANCE SCARBOROUGH, LLP
ATTORNEYS AND COUNSELORS AT LAW

Damon Wells
Senior Policy Advisor
dwells@hslawmail.com

May 29, 2018

Mr. Wiley Stem III
City Manager
City of Waco
300 Austin Ave. Waco, TX 76702

Re: **Proposal for Government Relations and Public Policy Services**

Dear Mr. Stem:

On behalf of Hance Scarborough LLP, we are pleased to have the opportunity to present a proposal to the City of Waco to assist with the greater Waco area's government relations and public policy goals in Washington, DC. The purpose of this proposal is to provide you with information about the federal governmental relations capabilities of Hance Scarborough, a strategic overview of the services that we would provide to the City of Waco, and the associated fees and expenses we propose. If the terms of this proposal are acceptable to the City of Waco, we will be happy to send you a letter of agreement for your consideration and signature.

It would be an honor to represent a city that serves as one of the cornerstone cities of I-35 and provides lifeblood to businesses from Mexico to Canada. While this corridor is important to trade with Mexico, it is more important to those that rely on I-35 for daily use such as Baylor University and the residents of McLennan County. Timely and focused expansion along the I-35 corridor through the city only improves the productivity and efficiencies of businesses all across this country, so it is our opinion the City of Waco has a strong case for rapid and renewed focus on completion of funding needs of this project. We would very much enjoy working with you and your city leaders to assist with the I-35 expansion project as well as any other needs that require attention from the federal government. Please feel free to contact me at any time to discuss the content or terms of this proposal. Thank you very much for your consideration of our law firm.

Sincerely,

A handwritten signature in black ink, appearing to read 'Damon Wells', written in a cursive style.

Damon Wells

About the Hance Scarborough, LLP Government Relations & Public Policy Group:

Hance Scarborough's bipartisan Government Relations and Public Policy Group has represented major U.S. and international corporations, trade associations, non-profits, local governments, universities and others. We operate at the intersection of public policy and law, providing strategic advice and counsel and direct legislative and executive branch governmental relations services at both the state and federal level, on a host of issues critical to our clients' successes. Our lobbyists and attorneys have served in key positions in the government and maintain strong ties with key policymakers. We bring a sophisticated understanding of the pivotal relationship between government and business to the clients we serve.

Hance Scarborough has as strong reputation for excellence in representing clients before the legislative and executive branches of government, at both the state and federal levels. Our team of professionals utilizes their public service experience and exceptional legal skills to achieve our clients' government relations and public policy objectives. In today's public policy environment this has become increasingly important, as policy issues become more complex, knowledge-driven, and inextricably intertwined with challenges clients face in the marketplace and the media.

Our clients typically face myriad concerns in multiple venues including adverse legislative or regulatory burdens as well as financial obligations that must be met in order for a city or company to grow. The federal government often plays an intricate role in your success or failure, and our seasoned public policy team realizes this and achieves results because we offer clients:

- **Experience.** Our firm has represented clients on complex and high-profile policy matters for over 25 years.
- **Judgment.** The complex "hot button" issues we tackle require deft political handling and sensitivity to the impact that policy battles have in other areas, such as risk management and business reputation.
- **Seasoned Team.** The government relations and public policy team has extensive experience working with Capitol Hill and the Administration. The group includes two former members of Congress, and former senior congressional staff and Executive branch officials. In addition, the team draws upon the substantive expertise of other lawyers throughout the firm.

- **Expertise in Government Affairs Compliance and Oversight Investigations.** We counsel clients on the rules regarding campaign activity, lobbying law, and political contributions, so clients can fully and lawfully engage in the political process. We also represent them before the bodies that enforce these rules, as well as before Congressional oversight committees.

Our attorneys and professionals are widely respected and they bring to our clients an insider's understanding of the legal and policy framework in which issues in government arise, as well as the processes in which decisions in these areas are made. We work regularly with both Democrat and Republican Members of Congress and their staffs on those issues and are strong advocates on Capitol Hill for each and every client we represent.

In an environment in which clients face multiple challenges on various fronts, it is critical to be serviced by an experienced team equipped to handle all of the issues in an integrated and sophisticated fashion. The Hance Scarborough team is committed to an innovative, proactive, and multidisciplinary approach to solving whatever problems, in whatever forum, a client faces. We would welcome the opportunity to bring our expertise and services to the City of Waco.

The Hance Scarborough Team for the City of Waco:

Damon Wells, Senior Policy Advisor

With over seventeen years of experience Damon has served in numerous roles within the government relations space in Washington D.C. Most recently, he served as the senior vice president of government relations at the National Turkey Federation. Wells oversaw and implemented all aspects of the federation's legislative affairs program, from policy formulation and development to advocacy on Capitol Hill, in a manner that helps ensure the turkey industry's ability to profitably produce high-quality, nutritious products. Wells worked for NTF for ten years and spent a year as professional staff on the Senate Agriculture Committee working for Blanche Lincoln (D-AR) with the responsibility of advising the Chairman on food safety, conservation, livestock, poultry and aquaculture issues. Wells has also held a legislative staff position for Reps. Chet Edwards (D-Waco), where he provided advice and leadership on transportation, water infrastructure, agriculture, energy and natural resource issues throughout Central Texas. Wells holds a B.S. in animal science from Sam Houston State University in Huntsville, Texas, and a master's degree in agriculture science from Texas Tech University in Lubbock. Finally, Damon understands government and business crisis management as he has been on the front lines during the devastating HPAI outbreak of 2015 and 2016 that swept a large portion of North America impacting turkeys and egg layers production.

David Pore, Partner

David is a Partner based at the Washington, D.C. office of Hance Scarborough LLP, where he represents trade associations, businesses, universities and local governments before the U.S. Congress and executive branch agencies. Before rejoining Hance Scarborough in March of 2017, David was Counsel at the DC offices of Arnold & Porter from 2009-17. Before that, David was an Associate at the Austin office of Hance Scarborough (2004-2009), representing similar clients at the state and federal levels. With nearly 20 years of public policy experience, David Pore has a

proven track record as a successful, bipartisan attorney and lobbyist in both Austin and Washington, DC. He has handled legislative matters, congressional investigations and agency enforcement and disciplinary actions for a wide variety of clients. David has long-standing relationships with several trade association and corporate clients, representing them on health care, transportation, energy, tax, education, defense, intellectual property, environmental and other issues. In addition to developing governmental relations strategies tailored to his clients' needs and directly engaging with policy makers on their issues, David also advises clients on political and campaign law, coalition building, grassroots and public relations.

Michael Tomberlin, Senior Policy Advisor

Mike is based at the Washington, D.C. office of Hance Scarborough, where he represents and provides expertise to various clients including but not limited to: trade associations, businesses, and local governments before the U.S. Congress and executive branch agencies. Before joining Hance Scarborough in August of 2017, Michael was Vice President of Federal Governmental Affairs at NCPA, where he lobbied federal affairs in the House and Senate for over 5 years. Michael has extensive experience on Capitol Hill serving in many roles over 12 years as both a Legislative Director and as a Chief of Staff to multiple members of Congress.

Hon. Kent Hance, Founding Partner

The Honorable Kent Hance provides over 40 years of experience in the public and private sector as an attorney, businessman, Texas State Senator, U.S. Congressman, Chairman of the Texas Railroad Commission, and Chancellor of the Texas Tech University System. Mr. Hance has been honored to serve on corporate boards throughout his distinguished career. Through the firm's Austin and Washington, D.C. offices, Mr. Hance provides clients with his own Texas-style and unmatched experience in a broad range of state and federal regulatory and legislative areas. In addition to decades of personal experience as a public servant in Austin, Lubbock and in Washington, DC, Mr. Hance maintains an active presence in both the state and federal political arenas. His reputation and abilities to represent clients at all levels of government is highly sought after.

Hon. Jim Turner, Of Counsel

The Honorable Jim Turner represents individuals, businesses and trade associations before federal and state legislative and administrative agencies. With more than 35 years of experience in government and related private-sector legal representation, Mr. Turner also represents clients in congressional investigations and counsels clients on federal governmental relations organization and strategies. Mr. Turner served for over a decade as a Partner in the Washington, D.C. law firm of Arnold & Porter Kaye Scholer LLP, where he was head of the firm's Legislative and Public Policy Practice.

Jim Turner served as a Member of Congress from 1997 to 2005, representing the 2nd District of Texas. During his tenure in Congress, he was the Ranking Member of the House Select Committee on Homeland Security, the Ranking Member of the Terrorism Subcommittee of the Armed Services Committee, and the Ranking Member of the Government Management, Information and Technology Subcommittee of the Government Reform and Oversight Committee. He was the Co-Chair of the Blue Dog Democratic Coalition, a member of the New

Democratic Coalition, and a Deputy Whip in the Democratic Caucus. In addition to his work on homeland security and national defense, Congressman Turner co-sponsored major legislation in health care, campaign finance reform, and government technology, management and efficiency.

Strategic Overview and Deliverables for the City of Waco:

The attorneys and professionals on the Hance Scarborough team for the City of Waco will work with the city to develop a strategic plan to (a) proactively identify and take advantage of opportunities for the city of Waco to grow its footprint and expand relationships with the US federal government to achieve policy and funding objectives needed to upgrade and redevelopment of the I-35 corridor through the City of Waco. We will work to procure the needed funds for this expansive project that will benefit commerce and improve overall safety for its residents, and (b) as needed continue to look for new opportunities to improve the city through federally funded infrastructure projects. We will seek to raise awareness in Washington, DC, by further educating key stakeholders about the immense value that I-35 corridor project plays to the state of Texas and the country economic backbone. This will initially involve becoming familiar with Waco's current and previous governmental relations efforts regarding I-35 infrastructure funding. Additionally, we will work quickly to assess your existing relationships with Members of Congress and Administration officials in order to strengthen and expand on your federal public policy capabilities, needs, and strategy. While our strategy will be dynamic and we stand prepared to handle any federal governmental relations matters that should arise for Waco, below is a proposed strategy to best achieve Waco's goals based on our current understanding.

Development and Implementation of a Congressional and Administration Strategy.

We propose an initial "kick-off" or introductory meeting/working session where our team will get to know the intricacies and needs of the I-35 project, your management team, your processes and services, your past and current efforts in Washington, DC, and your established contacts on Capitol Hill and within the Administration. During that session, we will strive to understand not only current I-35 infrastructure needs but also to discuss with you the City's previous government relations efforts and evaluate what has been successful for you and what has not, and why. We will initially work to develop strong relationships with Members of Congress important to the City of Waco and the State of Texas as what happens with the city and critical infrastructure like I-35 ultimately impacts all parties that rely upon Waco in one form or another. We will obviously focus on those who serve in influential positions on the committees of jurisdiction; additionally we will focus on members who will serve as natural allies due to the Waco's geographic footprint. For example, many businesses in the Waco community have significant influence in Washington and building a coalition with willing participants to expand our reach will only help the cause of raising the awareness of the need for expedited I-35 funding. Although we are flexible and will develop a strategic plan to handle any issue you may face, based on our initial conversations with you, we anticipate working on the following issues:

Infrastructure Issues: While a comprehensive infrastructure plan from the Administration is still a possibility, we anticipate a slow down of efforts to get a large-scale infrastructure resources bill through Congress this year. Despite these realities, there are still multiple avenues

for procuring funding and resources to assist with moving the City's I-35 corridor funding project forward in an expedited manner, but it will require engagement with the key congressional offices and committees as any efforts of this nature need to have multiple levels of support most importantly from Congressional leaders and key stakeholders in the Administration. We have experience working on highway, water and pipeline infrastructure legislation with the House Transportation and Infrastructure Committee and have good contacts with Chairman Shuster (R-PA) and with Ranking Member Peter DeFazio (D-OR), as well as several of the Senators serving on the Environment and Public Works Committee and their staffs.

Appropriations: While challenging and much more scrutinized than in years past, we regularly work with the appropriations committees in both the House and Senate on infrastructure issues through bill and report language to move the needle at federal agencies to benefit our clients. Our close contacts with the members and staffs of the appropriations subcommittees and full committees in both chambers allow us to get our clients' issues addressed through funding and language requests to the committees and we have a proven track record of successfully securing funding increases and congressional directives to federal agencies through the annual congressional appropriations process.

Other General Services:

Message Development and Dissemination. Our team will work with the City of Waco on briefing materials for use on Capitol Hill and within the executive branch. As you know, it is critical for the City of Waco to have one-to-two page documents that quickly and easily communicate the community's goals and priorities when it comes to infrastructure. Our team will assist in preparing new documents or in editing current documents for the City of Waco that will help disseminate your goals and legislative priorities in a concise manner.

Day-to-Day Efforts. As a fixed-fee based client, the City of Waco will have access to the entire team (listed above) at anytime, as needed. Damon Wells will be the main point of contact and assist with defining policy goals and all legislative needs. In this way, Damon, David, Michael, Jim Turner, Kent Hance and the entire Hance Scarborough team will become members of your team and your advocates in Washington, DC. You will have our cell phone numbers and full access to our support staff as well.

We strongly recommend regular contact with you to retain coordinated messaging and help ensure the team is updated on all issues. To do so, we suggest regular conference calls and face-to-face meetings with you to remain in coordination on all efforts and to provide regular intelligence regarding progress and congressional actions on your issues. Naturally, any reconnaissance we ascertain in between these calls will be sent to you via email or we will simply pick up the phone and discuss it directly with you. It is also highly advisable that your team plan into their budget at least one trip to DC a year to have face to face meetings. Additionally, we would also suggest and will assist you in congressional staff tours of the projects, so members have a firsthand perspective of the significance of the I-35 funding project.

Issue Tracking and Clipping Service. On an as needed basis, our firm will provide relevant articles to the City of Waco that may have bearing on the success of your efforts in Washington. We will provide you and your team, via email, articles on the policy issues that matter to you from publications like *Roll Call*, *The Hill*, *CQ*, *National Journal*, *Quorum Report*, *Congressional Research Service*, and more.

Conclusion. It will be our mission to elevate the City of Waco profile and presence in the U.S. Congress and the Administration to enable the City to achieve its federal policy goals of expedited funding for the I-35 corridor project. The development of relationships and the activities necessary to pursue your goals may require modifications to this strategy based on changing circumstances. This is best achieved when we function as an integrated part of the City of Waco team working collaboratively and within the scope of your direction to assist in any matter that may be required.

Again, thank you for the opportunity to present our team's services and capabilities to the City of Waco. It would be our pleasure to help represent you on Capitol Hill and within the Administration as you work to address your issues in Washington, DC. We would enjoy the opportunity to discuss your needs in person and our capacity to work with you to achieve your goals. Please do not hesitate to contact us if you have any questions or require additional information.

Proposed Terms of Agreement. Hance Scarborough LLP would be pleased to have the opportunity to represent the City of Waco by providing government relations and public policy services in Washington, D.C. Our government relations services are typically provided on a fixed monthly fee, plus expenses approved by you.

We propose a six-month agreement between Hance Scarborough LLP and the City of Waco, beginning on June 1, 2018, and ending on November 30, 2018. We propose a fee for Hance Scarborough's government relations and public policy services to the City of Waco of \$7,500 per month, to be paid in advance on the first day of each month, plus expenses. Out-of-pocket expenses, including airfare, lodging, meals, cab fare, and other miscellaneous expenses in furtherance of the City of Waco's objectives will be billed additionally. Expenses in excess of \$150 per month shall be subject to your prior approval. We would propose our agreement be cancelable by either party, with 60- days advanced notice.

If the terms of this proposal are agreeable to the City of Waco, we would be happy to send you a letter for signature reflecting the mutual understanding of the parties to the terms of our agreement to provide the City of Waco federal government relations and public policy representation. Thank you again for your consideration of this proposal and we look forward to the possibility of working with the City of Waco.

EXHIBIT B

City of Waco Insurance & Indemnification Requirements Professional Services – Not Engineer or Architect (01/03/2018)

Insurance Requirements:

A contractor's financial integrity is of interest to the City. Therefore, subject to a contractor's right to maintain reasonable deductibles in such amounts as are approved by the City, a contractor shall obtain and maintain in full force and effect for the duration of the contract, and any extension hereof, at contractor's sole expense, insurance coverage written on an occurrence basis by companies authorized to do business in the State of Texas that are rated A- or better by A.M. Best Company and/or otherwise acceptable to the City in the following types and amounts:

Type	Amount
Workers' Compensation	Statutory
Employer's Liability	\$1,000,000/\$1,000,000/\$1,000,000
Comprehensive General Liability Including: <ul style="list-style-type: none">• Premises/Operations• Products Liability/Completed Operations• Personal & Advertising Injury• Broad form property damage, to include fire legal liability	\$1,000,000 per occurrence; \$2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage
Business Automobile Liability <ul style="list-style-type: none">a. Owned/leased vehiclesb. Non-owned vehiclesc. Hired vehicles	\$1,000,000 per occurrence or its equivalent on a combined single limit (CSL basis).
Professional Liability (Claims Made Form)	\$500,000

Term of Policy: Except for professional liability coverage, the required insurance coverage must remain in effect for a two (2) year period following the expiration or completion of the contract with the City. With regard to **professional liability coverage**, a contractor shall attempt by reasonable diligence and in good faith to maintain and keep in force and effect professional liability insurance coverage in a minimum of \$500,000.00 during the term of this contract and for a period of seven (7) years following the expiration or completion of the contract with the City, either through an existing carrier or a carrier of comparable financial statute and reputation.

Modification of Insurance Requirement: The City reserves the right to review these insurance requirements during the effective period of the contract and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this contract. In no instance will the City allow a modification which results in the City incurring increased risk.

Proof of Insurance Required and When to Submit:

Examination & Approval. All insurance policies shall be subject to the examination and approval of the City for their adequacy as to form and content, form of protection, and financial status of insurance company.

Contractors with Multiple Projects. Contractors who have multiple projects with the City will provide the general liability aggregate in a project form with the name and/or location of the project listed in the comments section of the certificate of insurance.

When to Submit. Prior to the execution of the contract by the City of Waco and before commencement of any work under this contract, a contractor shall furnish original proof of insurance to the City's Risk Manager which is clearly labeled with the contract name and City department. The proof will include completed/current Certificate(s) of Insurance, endorsements, exclusions, and/or relevant extracts from the insurance policy, or copies of policies. Thereafter, new certificates, policy endorsements, exclusions, and/or relevant extracts from insurance policies, or policies shall be provided prior to the expiration date of any prior certificate, endorsement, or policy. No officer or employee other than the City's Risk Manager shall have authority to waive this requirement.

Additional Insured. Except for Workers' Compensation, Employers' Liability, and Professional Liability Insurance, the City, its elected officials, officers, servants, agents, volunteers and employees shall be named as additional insureds. No officer or employee, other than the City Risk Manager, shall have authority to waive this requirement.

Other-Insurance Endorsement -- All insurance policies are to contain or be endorsed to state that an "Other Insurance" clause shall not apply to the City where the City is an additional insured shown on the policy.

Agent Information. The certificate(s) or other proof of insurance must be completed by an agent authorized to bind the named underwriter(s) and their company to the coverage, limits, and termination provisions shown thereon, containing all required information referenced or indicated thereon. The original certificate(s) or form must have the agent's original signature, including the signer's company affiliation, title and phone number. The proof of insurance shall be sent directly from the insurance agent to the City's Risk Manager by U.S. Postal Service to City of Waco, ATTN: Risk Manager, P.O. Box 2570, Waco, Texas 76702-2570 or by delivery service to 1415 North 4th Street, Waco, Texas 76707. To send by fax or email, please contact the Risk Manager at 254-750-8061 to obtain the fax number or email address.

Precondition to Performance & Basis for Termination. The City shall have no duty to pay or perform under the contract until such certificate(s), policy endorsements, exclusions, and/or relevant extracts from the insurance policy have been delivered to and approved by the City's Risk Manager. The contractor understands that it is the contractor's sole responsibility to provide this necessary information to the City and that failure to timely comply with these insurance requirements shall be a cause for termination of a contract. If the City determines that it will deny payment, not perform, or terminate the contract because of the failure to provide certain information or documents, the City shall give the contractor notice of that determination and allow contractor fifteen (15) days to correct the deficiency.

Waiver of Subrogation. Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City.

Notice of Cancellation, Non-renewal, Material Change. The Contractor shall provide written notification to the City of the cancellation, non-renewal, or material change of any insurance required herein. The Contractor shall provide such written notice within five (5) business days of the date the Contractor is first aware of the cancellation, non-renewal, or material change, or is first aware that the cancellation, non-renewal, or material change is threatened or otherwise may occur, whichever comes first. Contractor shall provide the City with a replacement certificate(s) of insurance, policy endorsements, exclusions, and/or relevant extracts from the insurance policy either before the cancellation, non-renewal, or material change is effective, if it knew in advance of such, or within ten (10) business days of first learning of the cancellation, non-renewal, or change if it did not learn of that such action in advance.

INDEMNIFICATION.

A CONTRACTOR EXECUTING A CONTRACT WITH THE CITY AGREES TO ASSUME FULL RESPONSIBILITY AND LIABILITY FOR THE SERVICES RENDERED PURSUANT TO THE CONTRACT AND AGREES TO INDEMNIFY, PROTECT, DEFEND, AND HOLD HARMLESS THE CITY, ITS EMPLOYEES, AGENTS, AND SERVANTS, OF AND FROM ALL CLAIMS, DEMANDS, AND CAUSES OF ACTIONS OF EVERY KIND AND CHARACTER, INCLUDING THE COST OF DEFENSE THEREOF, FOR ANY INJURY TO, INCLUDING DEATH OF, PERSONS AND ANY LOSSES FOR DAMAGES TO PROPERTY CAUSED BY OR ALLEGED TO BE CAUSED, ARISING OUT OF, OR ALLEGED TO ARISE OUT OF, EITHER DIRECTLY OR INDIRECTLY, OR IN CONNECTION WITH, THE SERVICES TO BE RENDERED HEREUNDER, WHETHER OR NOT SAID CLAIMS, DEMANDS, CAUSES OF ACTIONS ARE CAUSED BY CONCURRENT NEGLIGENCE OF THE CITY AND A PARTY TO THIS AGREEMENT, OR WHETHER IT WAS CAUSED BY CONCURRENT NEGLIGENCE OF THE CITY AND SOME OTHER THIRD PARTY. THE CONTRACTOR AGREES THAT ANY INSURANCE CARRIER INVOLVED SHALL NOT BE ENTITLED TO SUBROGATION UNDER ANY CIRCUMSTANCES AGAINST THE CITY, ITS OFFICERS, OFFICIALS, AND EMPLOYEES.

Employee Litigation: In any and all claims against any party indemnified hereunder by any employee (or the survivor or personal representative of such employee) of the contractor, any subcontractor, any supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the work, or anyone for whose acts any of them may be liable, the indemnification obligation herein shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for contractor or any such subcontractor, supplier, or other individual or entity under workers' compensation or other employee benefit acts.

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.
This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).
By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.
A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY
Date Received **RECEIVED**

JUN 13 2018

CITY SECRETARY'S OFFICE

1 Name of vendor who has a business relationship with local governmental entity.
Hance Scarborough, LLP

2 Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.
N/A
Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

N/A

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?


Yes No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

6 Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Signature of vendor doing business with the governmental entity 5/31/18
Date



DISCLOSURE OF RELATIONS WITH CITY COUNCIL MEMBER, OFFICER, OR EMPLOYEE OF CITY OF WACO

Failure to fully and truthfully disclose the information required by this form may result in the termination of any business the City is now doing with the entity listed below and/or could impact future dealings.

1. Name of Entity/Business/Person doing business with City: Hance Scarborough, LLP
Is the above entity: (Check one)
A corporation A partnership A sole proprietorship or an individual
Other (specify):

Check all applicable boxes.

2. Is any person involved as an owner, principal, or manager of name listed in #1 related to or financially dependent on Council member, officer, or employee of the City of Waco?
NO -- there is no such relationship between Entity/Business/Person and the City of Waco.
YES, a person who is a/an owner, principal, or manager of this entity/business/person
is: (Check all applicable boxes below)
related to by blood or marriage* and/or a member of the same household as
and/or financially dependent upon** and/or financially supporting**
to a City of Waco City Council member, officer or employee.

* As used here, "related to" means a spouse, child or child's spouse, and parent or parent's spouse. It also includes a former spouse if a child of that marriage is living (the marriage is considered to continue as long as a child of that marriage lives).
** As used herein, "financially dependent upon" and "financially supporting" refers to situations in which monetary assistance—including for lodging, food, education, and debt payments—is provided by owner, principal or manger of #1 to Council member, officer or employee of City of Waco, or that Council member, officer or employee of City of Waco provides to owner, principal or manger of #1.

If YES, provide (a) the name of owner, principal, or manager, and (b) the name of the City Council member, officer or employee (include the department the City officer or employee works for, if known), and (c) if a relationship by marriage or by blood/kinship exists. (Use back of sheet if more space is needed)

Table with 3 columns: (a) Name of owner, principal, or manager; (b) Name of Council member, officer or employee & department; (c) What is relationship or household arrangement.

3. Is a current City Council member or City employee involved with the name listed in #1 as an owner, principal, manager, or employee, or employed as a contractor for name listed in #1?
NO (no person involved/working for Entity/Business/Person is Council member, officer or employee of the City).
YES, a person is (Check all applicable boxes)
(a) a current City of Waco City Council member, officer or employee,
(b) and is an owner, a principal, or a manager of the entity/business/person listed in #1,
or an employee or an independent contractor of the entity/business/person listed in #1.

If YES, provide the name of owner, principal, manager, employee or independent contractor who is a City Council member, officer or employee. Include the department the City officer or employee works for, if known.

Signature: [Handwritten Signature] Phone #: 512-479-8888 Date: 5/31/18
Print Name: Jay Stewart Print Title: Managing Partner