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Honorable Kenneth Liggett
Clay County Judge
214 N Main St
Henrietta, Texas 76365-2850

Re: TxDot County Road Grants
Clay County Estimated Eligibility \$352,505.00

Dear Judge Liggett:

As you know, our firm has been very closely involved in the legislative efforts to address the damages incurred to our county road infrastructure as a result of energy activities. The passage of SB 1747 and its' House companion, HB 2600, along with the passage of HB 1025, resulted in \$225,000,000.00 of state appropriations in the form of grant funds, to be administered by TxDot, for affected Texas counties. Your county is eligible for at least \$352,505.00 in grant funds.

Unfortunately, the rules adopted to provide those funds has resulted in a highly abbreviated time-line which will require eligible counties to very quickly complete the necessary steps required by the grant process, and to obtain the county's share of the funds. Counties that do not apply for the grant will lose their allocated funds and these will be re-assigned to those counties that do make a timely and correct application.

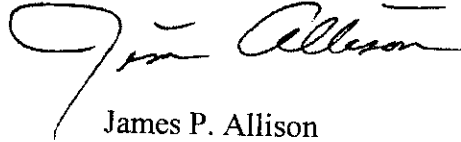
Through the County Judges and Commissioners Association of Texas, our firm is authorized to provide email and telephone assistance to counties in this process. However, many counties have requested that we provide additional services to actually prepare the required CETRZ order and complete the necessary steps for submission of the grant application. As we have in the past for such statewide projects as redistricting and the 2003-2011 County Road Map project, we are offering our services for this project on a flat rate fee basis.

Our services include coordinating the scheduling of the public hearing necessary before a CETRZ can be created, ensuring that the newspaper notice for that public hearing is timely published, providing the Public Notice for publication, and assisting with identifying one or more CETRZ zones for the public hearing. Following the public hearing, a thirty day period of time is required by law before a CETRZ Order may be adopted. During this time, the necessary road reports, and project identification and cost estimate will be completed with our assistance. Finally, we will provide the necessary Order Adopting CETRZ and we will ensure that a complete electronic application is filed with TxDot in a timely and complete manner.

Our fee for these services will be \$5,000.00. This fee can be paid from your CETRZ grant award. We will bill you for our fee after the grant award process is complete. Attached to this letter is our Retainer Agreement for this project. If you need our assistance, we ask that you immediately take action on this matter, and return the retainer by Fax or E-mail at your earliest convenience.

This program will fulfill the necessary requirements to obtain the TxDot grant. It is not intended to create a comprehensive county transportation infrastructure *plan*. We will be available to assist counties that intend to further utilize the CETRZ as a permanent funding mechanism for future transportation infrastructure as soon as the grant application process is completed, but such services are not covered by this offer.

Sincerely,



James P. Allison



Robert T. Bass

/afb

cc: Clay County Commissioners Court

RETAINER AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 2013, by and between Clay County, Texas, hereinafter referred to as "Client", and Allison, Bass & Associates, L.L.P. hereinafter referred to as "Attorneys".

Recitals

The Client is a political subdivision of the State of Texas. The Attorneys are duly licensed to practice law in the State of Texas and desire to render their professional services for the Client as provided herein.

The Commissioners Court of Clay County, Texas, acting in its judicial and executive capacity, finds that the public interest requires the retention of legal counsel to represent the County in the referenced matters, to-wit: Assistance in the creation and administration of a County Energy Transportation Reinvestment Zone (CETRZ) and preparation and submission of an Application for CETRZ grants administered by the Texas Department of Transportation, pursuant to §222.1071 and Chapter 256 of the Texas Transportation Code.

THEREFORE, the Client hereby engages the services of the Attorneys, and in consideration of the mutual promises herein contained, the parties agree as follows:

Services of Attorney

1. The Attorneys will advise and represent the Client in legal matters as requested by the Client, by and through a majority vote of the Commissioners Court, pertaining to issues involving such matters as may be assigned by the Commissioners Court. Services will also include drafting and reviewing of documents, assistance with public notices, hearing, and administrative details related to road condition reports, cost estimates, and project identification pursuant to the statutes related to the creation of a CETRZ and application for Grant Funding.

2. This Retainer Agreement shall serve as the basis for understanding regarding fees and costs to be charged to the Client, but the subject matter for legal services may only be

authorized by an Order of the Commissioners Court.

3. Fees will include any and all necessary research, drafting and reviewing of documents, briefing, and consultation with the Client required for the proper disposition of any and all matters entrusted to the Attorneys pursuant to this retainer agreement.

Compensation

4. For the services described in Paragraph 1, the Client agrees to pay the Attorneys the Flat Fee sum of \$5,000.00 for services rendered by partners, associates and paralegals of the firm. Attorneys will provide Client with an invoice upon the conclusion of the grant process and the award of grant funds, if any. In the event the grant application is not approved, no fee will be due.

Devotion of Time

5. The Attorney shall make themselves available for consultation with the Client at reasonable times, at the request of the Client. Due to the abbreviated timeline, however, this fee does not include travel or personal appearances in the county.

Term

6. This agreement shall be effective on the execution hereof by Client and shall continue in effect until the matter has been finally resolved or upon 30 days written notice by either party. The Client shall send notice to the Attorneys' office at 402 West 12th Street, Austin, Texas 78701, and the Attorneys shall send notice to the Client care of the County Judge, 214 N Main St, Henrietta, Texas, 76365-2850.

Prior Agreements Superseded

7. This agreement constitutes the sole and only agreement of the parties hereto pertaining to the subject matter of this retainer, and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

EXECUTED on the _____ day of _____, 2013.

CLIENT
CLAY COUNTY, TEXAS

ATTORNEYS
ALLISON, BASS & ASSOCIATES, L.L.P.

By: _____
Honorable Kenneth Liggett

By: _____
James P. Allison / Robert T. Bass