



May 2, 2018

Hon. Pete Panepinto
Mayor, City of Hammond
P.O. Box 2788
Hammond, Louisiana 70404

Mr. Andre G. Coudrain
Cashe Coudrain & Sandage
P.O. Drawer 1509
Hammond, Louisiana 70404

Re: Proposed Loan from LDEQ Clean Water Revolving
Loan Fund - to be represented by the City's Sewer
Revenue Bond(s)

Gentlemen,

We appreciate the opportunity to work with the City of Hammond, State of Louisiana (the "City") in connection with the proposed loan from the LDEQ Clean Water State Revolving Fund (the "CWSRF"). As you know, our role in this transaction will be as counsel to the CWSRF; this Engagement Letter will confirm certain matters regarding our role, responsibilities and undertakings in this connection, and will describe the basis on which our firm will provide legal services to the CWSRF and how we will work with the City to facilitate and complete the proposed loan. If you have any questions about these provisions, or if you would like to discuss any of the matters addressed in this letter, please do not hesitate to call.

The arrangement described in this letter will also be summarized in the "Notice of Intent Resolution" that will be submitted for consideration by the City Council at their meeting on Tuesday, May 8, however we are submitting this to you in advance of that meeting since we will need to start some of the document drafting prior to the adoption of that resolution.

If you understand and agree with the contents of this letter, we ask that you sign the last page of this letter and return it to me at your earliest convenience.

1. Client; Scope of Representation. Our client in this matter will be the CWSRF, and in no way should we be considered to be representing or acting as counsel to the City. Andre Coudrain, the City Attorney, or other assistant city attorney(s) will act as counsel to the City in this matter.

In this matter, we will be reporting to and take instructions from our client, the CWSRF. However, we have agreed to prepare and furnish to the City and the City Attorney all of the loan documentation required in connection with the authorization and issuance of sewer revenue bonds that will be purchased by the CWSRF. All such documentation will be in the standard

Attorneys at Law

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form used for other loans from the CWSRF, and will be submitted to the City and City Attorney for review and approval in advance of adoption or execution by the City.

More specifically, our services in this matter are described generally as including the following:

Consultations and conferences with staff of LDEQ, the City's Consulting Engineer, Administration, City Council and City Attorney's Office relative to the issuance, sale and delivery of the City's bonds that will represent the City's written obligation to repay the CWSRF Loan;

Drafting and preparation of all necessary resolutions and ordinances of the City, including Notice of Intention Resolution, Public Hearing Proceedings, Bond Ordinance and all necessary closing documents and certifications, and submitting same to the City Attorney for his review, comment and approval;

Scheduling and coordinating all necessary newspaper publications and notices;

Scheduling and coordinating the necessary steps to be taken by the City, including preparation and filing the City's application with the State Bond Commission for approval of the CWSRF Loan, and attending the State Bond Commission meeting in Baton Rouge;

Drafting and preparation of DEQ Loan Documents, including Commitment Agreement and Loan & Pledge Agreement;

Drafting and preparation of associated certifications including Site Certificate, Engineer's Certificate, Cross-Cutters Certificate and Certification Regarding Single Audit Act Requirements;

Drafting and preparation of DEQ Incumbency Certificate;

Review of closing transcript of proceedings, and coordination of closing and delivery of the Bonds for DEQ;

Furnishing legal opinion as counsel to DEQ in connection with the Bonds;

Providing guidance to the City with respect to the necessary funds and accounts required in connection with the administration of the Bonds;

Post-closing matters including consultations and conferences with DEQ staff and the City relating to drawdown matters, and other post-closing matters.

Again, we reiterate that in this transaction we represent only the CWSRF and we are not counsel to any other party including the City. Our services as special counsel are limited to those addressed above and in this letter.

2. Lawyers Providing Services. I will be your primary contact on this matter at Adams and Reese, but there will be a team of lawyers and staff working on this matter. In my absence, any member of our Public Finance Team will also be available to assist you.

3. Communications Regarding Matter. As noted above, our client in this matter is the CWSRF and we will report directly to them on this matter. However, we will also communicate with the City through Mr. Coudrain and Charles Borchers (or such other representatives as may be appropriate under the circumstances). If you ever want us to coordinate with any other staff or member of the City's Administration, we will be happy to do so. Of course, we will be pleased to answer any questions you may ever have of us. We understand the importance of being accessible, accordingly we commit to returning all phone calls within one business day of when they are received.

4. Preserving Confidences. We appreciate that we may be privy to confidential information and we will take steps to maintain this confidentiality, all in compliance with the applicable rules of professional conduct. In order to promote efficiency and save costs, we may employ electronic mail, where appropriate, to communicate with you on this matter.

5. Term of Engagement. Our engagement as counsel to the CWSRF is covered under a written Employment Contract with CWSRF, and governed by the terms of such contract.

6. Loan Closing; Payment of Fees. At the closing of the loan, we will submit a statement for services rendered in this matter as counsel to the CWSRF, together with a statement for reimbursement of out-of-pocket expenses. Under the terms of the our contract with LDEQ and the Loan Agreement that will be entered into between LDEQ and the City in connection with the Loan, the City is responsible for paying our fees and expenses as counsel to the CWSRF, which are an allowable expense to be paid from proceeds of the loan and must be paid at loan closing. Our fees will be in accordance with our contract with LDEQ and the Attorney General's guidelines for fees of bond counsel providing comprehensive and coordinate legal services in the issuance of revenue bonds, based on the maximum authorized principal amount of the CWSRF Loan, as shown in the following table:

<u>LOAN AMOUNT MORE THAN</u>	<u>BUT NOT MORE THAN</u>	<u>MAXIMUM FEE*</u>
Zero	\$1,350,000	1.5% of face amount of loan
\$1,350,000	\$2,700,000	\$20,750 plus 0.75% of all over \$1,350,000
\$2,700,000	\$6,750,000	\$30,375 plus 0.30% of all over \$2,700,000
\$6,750,000	\$13,500,000	\$42,525 plus 0.20% of all over \$6,750,000
\$13,500,000	--	\$56,025 plus 0.075% of all over \$13,500,000

*Plus approved, reasonable and necessary travel and out-of-pocket expenses.

Our fees may vary: (a) if the scope of the representation differs significantly from the matter(s) described above; (b) if there is any litigation relating to the Bonds; or (c) if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility.

If, at any time, we believe that circumstances require an adjustment of our original fee estimates, we will advise you.

Out of pocket expenses will include services such as photocopying, messenger and delivery service, computerized research, travel, long distance telephone, fax, and filing fees. Our charge for photocopies will be \$0.25 per page and our charge for faxes will be \$1.25 per page.

7. Conflicts. You are aware that our firm represents many other governmental entities, private companies and individuals. It is possible that during the time that we are working on this matter, one or more of our present or future clients will have transactions with the City or otherwise have interests adverse to the City. We do not believe such representation, if it occurs, will adversely affect our ability to represent the CWSRF or to work with you and your counsel in the manner provided by this letter, either because such matters will be sufficiently different from these matters so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the captioned matter.

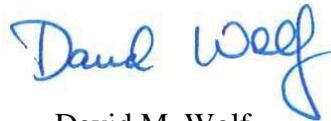
Also, inasmuch as the City Attorney's office will be acting as counsel to the City in this matter, you acknowledge that even though our client is the CWSRF and even though we will be preparing various loan documents and proceedings, and coordinating City meetings, etc., that there is no conflict of interest in the proposed arrangement.

Should you disagree with this conclusion or have any further questions about this Section 7 or any other provision of this letter, please contact us as soon as possible.

Once again, we are pleased to have this opportunity to work with you. Please do not hesitate to call me if you have any questions or comments regarding this letter, or at any time during the course of our representation.

With kindest regards, I am

Yours very truly,



David M. Wolf

DMW/dw

THE TERMS OF THE FOREGOING LETTER
ARE ACKNOWLEDGED AND ACCEPTED.

By: _____
Mayor, City of Hammond

Date: _____, 2018

By: _____
City Attorney

Date: _____, 2018