

**AGREEMENT**  
**between**  
**CITY OF PORT ANGELES**  
**and**  
**A. DASHEN & ASSOCIATES**

THIS AGREEMENT is made and entered into this 16<sup>th</sup> day of April, 2013 by and between the City of Port Angeles (hereinafter referred to as the "City") and A. Dashen & Associates (hereinafter referred to as the "Consultant").

**A. Dashen & Associates (Consultant)**

The Consultant is a financial advisory firm that specializes in assisting public entities finance projects. Most of Consultant's work involves the issuance of bonds, with 20 to 30 financings annually. As a firm, Consultant does not sell or underwrite securities or bonds but only serve in an advisory role. This allows Consultant to avoid any potential conflicts of interest in providing advice to a bond issuer.

**Scope of Services**

Consultant will provide the following services:

- Advise the City on any proposed capital financing and provide recommendations to the City regarding financing alternatives.
- Work with the City to develop a financing plan for a project, which may include bonds, notes or other sources of funding.
- Review with the City refinancing of outstanding debt.
- Assume overall coordination of the bond financing process.
- Assist the City with and arrange for presentations to bond rating agencies.
- Work with City staff and bond counsel to determine the tax status of different aspects of the projects being financed.
- If requested by the City, prepare the preliminary and final official statements for each bond issue.
- Review and provide comments on the bond ordinance, official statement and other financing documents.
- Recommend whether the City issues bonds through a competitive or negotiated sale.
- For a competitive sale provide all services typically required of a financial advisor, including but not limited to preparation of a notice of sale, establishing bid parameters, recommending a time and date for the competitive sale, evaluating bids received and restructuring the bond maturities as appropriate following the bidding process.
- For a negotiated sale, assist the City in selecting an underwriter for the bonds. During the pricing of the bonds, assume a primary role with the City in negotiations with the underwriter related to fees and charges, interest rates, bond structure, call provisions, yields and other parameters that typically are determined at or near the time of pricing. The final objective is to ensure that the City's bonds are sold at appropriate rates and are properly marketed to achieve the lowest rates for the City.
- Provide other related services typically provided by a full service financial advisor.

**Fee for Services**

For bond financing services, Consultant's fee for services is dependent on involvement as financial advisor and fees shown below are not to exceed amounts.

Consultant does not duplicate work done by the underwriter on a bond sale. To the extent the underwriter or bond counsel does more of the work, fees would be adjusted accordingly. Further, several of the City's bond sales have been relatively small, and all fees, including financial advisor, underwriter and bond counsel, need to be reduced to make these issues cost effective.

For bond sales where Consultant has primary responsibility for coordinating the financing, working with the rating agencies and structuring the bond issue, the fee schedule would be up to the following amounts:

For issues up to \$40 million, \$1.00 per \$1,000 par amount of bonds, with a minimum fee of up to \$10,000 (subject to reduction for small issues).

For issues over \$40 million, the fee will be agreed upon before the sale.

Fees calculated on the above schedule shall be adjusted as follows:

1. If Consultant prepares the official statement, the fee is up to \$10,000.
2. Consultant will be reimbursed for direct out of pocket expenses. Expenses may include, but are not limited to, mileage, long distance charges, travel expenses, overnight delivery charges, printing, and photocopying.

Compensation for other services not directly related to financing would be on an hourly basis at the rates of \$250 for principals and \$190 for associates. Consultant will not bill for other support services. Consultant typically does not bill clients on an hourly basis unless it is for a specific non-bond related issue, and no work on an hourly basis would be commenced without prior approval by the City. Consultant will not bill for attendance at City board or other meetings or for providing ongoing general advice to the City.

### **Term of Agreement**

The City may terminate this agreement at any time upon reasonable written notice and payment for any fees and costs incurred to the date of termination. *Consultant retains* the right to terminate the agreement upon reasonable notice to the City.

### **Insurance Requirements for Contract**

Consultant shall procure and maintain for the duration of this agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees

### **Minimum Scope of Insurance**

Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
2. Professional Liability insurance appropriate to the Consultant's profession.

**Minimum Amounts of Insurance**

Consultant shall maintain the following insurance limits:


1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

**Verification of Coverage**

Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

CITY OF PORT ANGELES

A. DASHEN & ASSOCIATES

By  \_\_\_\_\_  
 Dan McKeen, City Manager

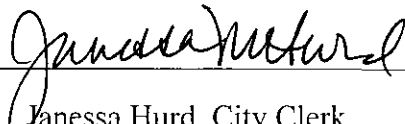
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 By:

Title: President

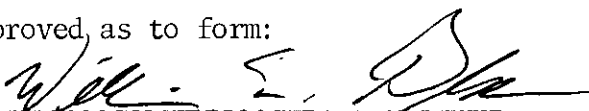
Date: 6/19/13

Date: 6-12-13

ATTEST:

 \_\_\_\_\_  
 Janessa Hurd, City Clerk

Approved, as to form:

By:  \_\_\_\_\_  
 William E. Bloor, City Attorney