

## AGREEMENT FOR BOND COUNSEL SERVICES

**THIS AGREEMENT** is made and entered into this 5<sup>th</sup> day of April, 2023, by and between the GOLD RIDGE FIRE PROTECTION DISTRICT (the “District”), whose address is 4500 Hessel Road, Sebastopol, CA 95472 and WEIST LAW LLP (the “Bond Counsel”), whose address is 20 South Santa Cruz Avenue, Suite 300, Los Gatos, CA 95030.

### WITNESSETH:

**WHEREAS**, the District is contemplating several new capital improvement projects, including the (i) possible purchase of a new fire truck, (ii) possible remodel of current station, and (iii) possible construction of new a station after consolidation (collectively, the “CIP Projects”), some or all of which may require some form of loan and/or grant funding from the state, federal, public/private capital sources, as well as possible tax-exempt municipal financing (the “CIP Funding Plan”); and

**WHEREAS**, the District is a member of the California Public Employees’ Retirement System (“CalPERS”) and, as such, is obligated to make contributions to CalPERS to (a) fund pension benefits for its employees who are members of CalPERS, (b) amortize the unfunded accrued liability with respect to such pension benefits (the “UAL”), and (c) appropriate funds for the purposes described in (a) and (b); and

**WHEREAS**, Bond Counsel regularly works with municipalities to develop and implement cost mitigation techniques and strategies including the analysis of funding options for capital optimization related to UAL and CIP Funding Plans, in each case acting in a fiduciary capacity to protect the long-term financial interests of public agencies (the “Cost Mitigation Measures”); and

**WHEREAS**, Bond Counsel also regularly works with municipalities to assist in the development of comprehensive pension management policies (the “Pension Management Policy”) and reserve policies (the “Reserve Policy,” and together with the Pension Management Policy, the “Policy Development Work”); and

**WHEREAS**, the District desires to retain Bond Counsel to do the necessary consulting, legal and analytical work hereinafter outlined, upon the terms and conditions hereinafter set forth, to structure, issue and deliver financing obligations (the “Financing Obligations”) in connection with the CIP Funding Plan and Cost Mitigation Measures; and

**WHEREAS**, Bond Counsel is specifically trained and experienced in the provision of work required to develop and execute the CIP Funding Plan, Policy Development Work and Cost Mitigation Measures, and hereby represents that it is ready, willing and able to perform said work; and

**NOW, THEREFORE**, in consideration of the covenants and premises herein contained and other good and valuable consideration, the parties hereto agree as follows:

### **Section 1. Scope of Services.**

Bond Counsel shall perform legal services described in Exhibit “A” as attached to this Agreement and incorporated by reference (interchangeably, the “Services” or “Scope of Work”).

**Section 2. Excluded Services.** Services are limited to those specifically set forth above. Services do not include representation of the District or any other party to the transaction in any litigation or other legal or

administrative proceeding involving the Policy Work or any other matter.

Bond Counsel's services also do not include legal services not specified above relating to the issuance of Financing Obligations, including but not limited to compliance with the California Environmental Quality Act, the National Environmental Policy Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Hazardous Material Transportation Act, the Resource Conservation and Recovery Act, the Federal Water Pollution Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the Porter-Cologne Water Quality Control Act, the Safe Drinking Water and Toxic Enforcement Act of 1986, the Hazardous Substance Account Act, the Hazardous Waste Control Act, or any determinations pertaining to completion and readiness for acceptance.

Bond Counsel's services also do not include any responsibility for compliance with state blue sky, environmental, land use, real estate or similar laws or for title to or perfection of security interests in real or personal property, including the acquisition of interests in real property, whether through gift, negotiation or the exercise of the power of eminent domain. Bond Counsel's services also do not include any responsibility for the negotiation or preparation of joint powers agreements with other agencies. Bond Counsel will not be responsible for the services performed or acts or omissions of any other participant.

Also, Bond Counsel's services for a particular series of Financing Obligations will not extend past the date of issuance of such series of Financing Obligations and will not, for example, include services related to on-going administration, annexation, tax rebate compliance or continuing disclosure or otherwise related to such series of Financing Obligations, proceeds of such series of Financing Obligations or a refunding after issuance of such series of Financing Obligations.

Bond Counsel may be willing to perform such excluded services on such terms as might be mutually agreed to at the time of need. The performance by Bond Counsel of services excluded by the preceding paragraph, if required by the District, shall be under separate written agreement.

**Section 3. Compensation.**

For the Services provided under this Agreement, Bond Counsel's professional fees shall be paid as provided in Exhibit B to this Agreement. Any services which are not included in the Scope of Services set forth in Exhibit A of this Agreement will be subject to separate, mutually acceptable fee structures.

**Section 4. Termination of Agreement and Legal Services.**

This Agreement and all legal services to be rendered under it may be terminated by providing ten days written notice by either party, with or without cause. In that event, all finished and unfinished documents prepared for adoption or execution by the District, shall, at the option of the District, become its property and shall be delivered to it or to any party it may designate; provided that Bond Counsel shall have no liability whatsoever for any subsequent use of such documents. In the event of termination by the District, the District will pay Bond Counsel for services performed in accordance with this Agreement up to the date of termination.

If not sooner terminated as aforesaid, this Agreement and all legal services to be rendered under it shall terminate (i) upon final adoption of the Pension Management Policy in connection with the Policy Development Work, and (ii) upon the closing of the last issue of the Financing Obligations contemplated by this Agreement. Upon termination, Bond Counsel shall have no future duty of any kind to or with respect to

the Policy Work or the District.

**Section 5. Insurance.**

Bond Counsel specifically represents that it maintains errors and omissions insurance of a minimum of \$1,000,000/\$2,000,000 aggregate applicable to the Bond Counsel services to be rendered under this Agreement.

**Section 6. Conflicts of Interest.**

Bond Counsel warrants by execution of this Agreement that no person or selling agent has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for commission, percentage, brokerage or contingent fee, and that Bond Counsel maintains no agreement, employment, or position which would be in conflict with the duties to be performed for District under this Agreement. Bond Counsel further agrees that during the term of this Agreement, Bond Counsel will not obtain, engage in, or undertake any interests, obligations or duty that would be in conflict with, or interfere with, the services or duties to be performed under the provisions of this Agreement.

Bond Counsel will not make or participate in making or in any way attempt to use Bond Counsel's position to influence a governmental decision in which Bond Counsel knows or has reason to know Bond Counsel has a direct or indirect financial interest other than the compensation promised by this Agreement. Bond Counsel will not have such interest during the term of this Agreement. Bond Counsel will immediately advise the District if Bond Counsel learns of such a financial interest of Bond Counsel's during the term of this Agreement. If Bond Counsel's participation in another District project would create an actual or potential conflict of interest, in the opinion of the District, the District may immediately terminate the Agreement.

**Section 7. Standards of Professional Conduct.**

Bond Counsel and every employee thereof shall provide their services, advice and any reports in full compliance with all applicable law and professional standards. Bond Counsel represents that it is specially trained, experienced and competent to perform the services required under this Agreement, and that each individual providing legal services is a member in good standing of the State Bar and is licensed to practice in California. Bond Counsel certifies that it will not accept representation in any matters, including litigation, under this Agreement if it or any employee thereof has any personal or financial interest therein.

Bond Counsel certifies that it accepts this retention because it has the time, energy, skills and ability necessary to perform the duties required in an efficient, trustworthy, professional and businesslike manner. It is understood that the services under this Agreement must be provided immediately, and that they are time-critical. Bond Counsel is engaged by District for its unique qualifications and skills.

Bond Counsel agrees that it will comply with all ethical duties, will maintain the integrity of the Bond Counsel-client relationship, and will take all steps available to preserve all applicable legal privileges, confidences, and records from disclosure; however, where it is contended by third parties, Bond Counsel's work product or attorney-client privileged communications are subject to disclosure, and District directs Bond Counsel to not disclose the records, District agrees to indemnify Bond Counsel from any cost or expense related to protecting said records from disclosure.

**Section 8. Independent Contractor.**

Bond Counsel and District understand and agree that Bond Counsel is an independent contractor and that the District shall not be liable for Workers' Compensation, retirement or unemployment benefits for Bond Counselor Bond Counsel's agents, partners or employees.

**Section 9. No Guarantee of Outcome.**

District hereby acknowledges and agrees that this is a best effort undertaking, and that no guarantee of success or outcome has been, or can be, made by Bond Counsel.

**Section 10. Arbitration.**

Any controversy, claim or dispute arising out of or relating to this Agreement, shall be settled solely and exclusively by binding arbitration in San Jose, California. Such arbitration shall be conducted in accordance with the then prevailing commercial arbitration rules of JAMS/Endispute ("JAMS"), with the following exceptions if in conflict: (a) one arbitrator shall be chosen by JAMS; (b) each party to the arbitration will pay its pro rata share of the expenses and fees of the arbitrator, together with other expenses of the arbitration incurred or approved by the arbitrator; and (c) arbitration may proceed in the absence of any party if written notice (pursuant to the JAMS' rules and regulations) of the proceedings has been given to such party. Each party shall bear its own attorney's fees and expenses.

The parties agree to abide by all decisions and awards rendered in such proceedings. Such decisions and awards rendered by the arbitrator shall be final and conclusive. All such controversies, claims or disputes shall be settled in this manner in lieu of any action at law or equity; provided however, that nothing in this Section shall be construed as precluding the bringing an action for injunctive relief or other equitable relief. The arbitrator shall not have the right to award punitive damages or speculative damages to either party and shall not have the power to amend this Agreement. The arbitrator shall be required to follow applicable law.

**Section 11. Entire Agreement.**

This Agreement contains the entire understanding between Bond Counsel and District. All previous proposals, offers and communications relative to the Policy Work and this Agreement, whether oral or written, are hereby superseded except to the extent that they have been incorporated into this Agreement. No future waiver of or exception to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by both Bond Counsel and District. No oral agreement or implied covenant shall be held to vary the provisions of this Agreement.

This Agreement shall bind and inure to the benefit of the parties to this Agreement and any subsequent successors or assigns as may be permitted pursuant to the provisions of this Agreement.

**Section 12. Modification.**

Both District and Bond Counsel understand that it may be desirable or necessary during the execution of this Agreement for Bond Counsel or District to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with District and all changes and their cost shall be memorialized in a written amendment to this original Agreement prior to the performance of the additional work. Until a written change order is so executed, District shall not be responsible for paying any charges Bond Counsel may incur in performing such additional services, and

correspondingly Bond Counsel shall not be required to perform any such additional services.

**Section 13. Severability.**

All sections and subsections of this Agreement are severable, and the unenforceability or invalidity of any of the sections or subsections of this Agreement shall not affect the validity or enforceability of the remaining sections or subsections of this Agreement, but such remaining sections or subsections shall be interpreted and construed in such a manner as to carry out fully the intention of the parties.

Therefore, if any part, term, or provision of this Agreement shall be held illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Agreement, the validity of the remaining portions or provisions shall not be affected by such holding and shall nevertheless continue in full force without being impaired or invalidated in any way.

**Section 14. Waiver.**

The waiver by either party of a default or breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent default or breach of the same or of a different provision of that party. No waiver or modification of this Agreement or of any covenant condition, or limitation contained in this Agreement shall be valid unless in writing and duly executed by the party or parties to be charged therewith.

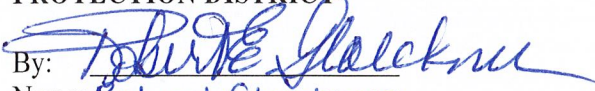
**Section 15. Counterparts.**

This Agreement may be executed in any number of counterparts and each counterpart shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same Agreement.

*[Signature Page to Follow on Next Page]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers and representatives thereto duly authorized, all as of the day and year first above written.

**GOLD RIDGE FIRE  
PROTECTION DISTRICT**

By:   
Name: Robert Gloeckner  
Title: Board Chair

**THE WEIST LAW FIRM**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**  
**SCOPE OF SERVICES**

**I. Bond Counsel Services Related to the CIP Funding Plan**

In connection with the CIP Funding Plan, Weist Law shall provide the following services:

1. Review all related preliminary design, architects and/or engineers reports and determine which should be updated or edited for funding applications.
2. Assess eligibility for State and federal funding from SRF, USDA and EPA and determine steps necessary to move forward with application or not.
3. Work with municipal advisor to complete proforma financials for creditworthiness of any grant or loan programs.
4. Create overview presentation of all viable financing options including estimated grant money and subsidized loan opportunities, as well as preliminary borrowing rates, and estimated debt service schedules for District review and recommendations for action.
5. Finalize Funding Plan for approval and adoption by Board of Directors (the "Board").

**II. Bond Counsel Services Related to Policy Work**

Bond Counsel shall provide the following legal services in connection with the Policy Work. Such services shall include the following:

1. Consult with the appropriate members of the District's staff, financial advisors and others with respect to the development and implementation of the Reserve Policy and Pension Management Policy.
2. Attend such meetings or hearings of the District Board, finance committee and working group meetings or conference calls as the District may request, and as Bond Counsel deems prudent and necessary to properly carry out the Policy Work.
3. Draft all resolutions, staff reports and/or ordinances required in connection with the Policy Work.
4. Review pertinent documentation prepared or provided by District staff, consultants and financial advisor, as necessary in the conduct of Policy Work.

**III. Bond Counsel Services Related to the Issuance of Financing Obligations**

Upon adoption of a resolution of the Board indicating its desire to proceed with the issuance of a Financing Obligation, Bond Counsel shall provide the following legal services in connection with the preparation of the resolutions, documents and certifications necessary for the sale and delivery of the Financing Obligations. Such services shall include the following:



1. Consult with representatives of the District, including the Fire Chief, Administrative Services Manager and other appropriate members of the Board, staff, financial advisors, underwriter and others, with respect to the timing, terms and legal structure of the proposed issuance of Financing Obligations.

2. Prepare all resolutions, ordinances, notices, affidavits, Depository Trust Company agreements, indentures, lease agreements, escrow agreements, fiscal agent agreements, and other legal documents customarily prepared by Bond Counsel, as required for the issuance of Financing Obligations (the "Principle Documents").

3. Review pertinent documentation prepared with District staff, consultants, financial advisor or underwriter, including the purchase contract(s) to be derived therefrom, and the continuing disclosure undertaking or undertakings.

4. Review pertinent documentation with respect to any bond provisions, parity debt provisions and reserve fund policy provided or required in connection with the Financing Obligations, if any.

5. Review and evaluate the various financing structures that may be available to the District for the securing of the Financing Obligations. Our analysis will examine the range of capital borrowing methods available to the District.

6. Attend such meetings or hearings of the Board, finance committee and working group meetings or conference calls as the District may request, and as Bond Counsel deems prudent and necessary.

7. Assist in the preparation of the portions of the official statement for the sale of the Financing Obligations which relate to the terms of the Financing Obligations and the firm's legal opinion delivered with respect to the Financing Obligations.

8. Coordinate legal presentations to the rating agencies and/or credit enhancement providers. We will advise on the legal prudence of seeking a rating and/or bond insurance.

9. Prepare final closing papers to be executed by the District required to effect delivery of the Financing Obligations and coordination of the closing of the Financing Obligations.

10. Render Bond Counsel's customary final legal opinion on the validity of the Financing Obligations and the exemption from California personal income tax of interest thereon.

11. Render a legal opinion to the underwriter or purchaser of the Financing Obligations as to the applicability of the registration requirements of federal securities laws and a statement as to the fair and accurate nature of those portions of the Official Statement described in 7 above.

12. Prepare the required reports to the California Debt and Investment Advisory Commission (pursuant to section 8855 et seq. of the Government Code) respecting the sale of the Financing Obligations.

13. Prepare of a complete transcript of the proceedings, containing originally signed copies of all resolutions, ordinances, legal agreements, disclosure statements, certificates and notices. Copies shall be provided to the District and each member of the financing team.

#### IV. CDIAC Reporting (SB 1029)



Effective January 1, 2017, state and local issuers are required to submit an annual debt transparency report for any issue of debt for which they have submitted a Report of Final Sale to CDIAC during the reporting period. The annual debt transparency report is due to CDIAC no later than January 31st of each year for any debt outstanding at any point during the prior fiscal year.

Any joint powers authority selling bonds pursuant to the Act, on or after January 1, 1996, which uses the proceeds of the Marks-Roos bonds to acquire one or more local obligations or transfers funds to a local obligor under the terms of a debt contract between the Authority and the Local Obligor is required to report annually on the fiscal status of the Authority bonds and the local obligations acquired until the final maturity of the authority bonds. These financings are identified as reportable Marks-Roos issues. The report must be submitted to CDIAC no later than October 30 each year for any debt outstanding at any point during the prior fiscal year.

Bond Counsel will work with the District to complete and file these reports with CDIAC prior to their relative due date each year.

**EXHIBIT B**  
**COMPENSATION FOR SERVICES**

Pension Management Policy and CIP Funding Plan

For all work involved in the development and approval of the Pension Management Policy and CIP Funding Plan, Bond Counsel will be paid based on the hourly rate of \$525 per attorney hour, not to exceed twelve hours, unless otherwise agreed to in writing by both parties to this Agreement.

Transactional Based Compensation

Bond Counsel's fees are done on a "per Financing" basis and are contingent upon the successful issuance of Financing Obligations. So, if no Financing takes place, Bond Counsel does not charge the District for their Transactional Based Compensation. Bond Counsel's fee ranges from \$9,500 for a simple equipment lease to \$39,500 for a Direct Placement or Public Offering of a long-term non-equipment lease structure. The type of transaction will be decided as data is analyzed and it is determined which placement type is in the best interest of the District and presented to the Board for approval.

CDIAC Regulatory Reporting

For all annual reporting to California Debt and Investment Advisory Committee (CDIAC), District shall pay an annual fee of \$495 for each report successfully filed with CDIAC; to be paid within 30 days of receipt of invoice.

Non-Transactional Based Compensation

For any other legal advisory work (that is not listed above) requested of Bond Counsel in writing (which can be by email or other written correspondence) by either the Board or Fire Chief, Bond Counsel will be compensated on a time and material basis. Bond Counsel's hourly rate is presently \$525 per hour and is subject to an annual inflationary adjustment (based upon CPI) not to exceed 3% per year.

Expenses (Out-of-Pocket)

In addition to the legal fees, Bond Counsel shall be reimbursed its normal and customary out-of-pocket expenses, including travel (which includes an out of office fee of one hour of attorney time for each one hundred miles of travel) and customary mileage rates; parking charges and bridge tolls as incurred, business tax expenses, photocopies at forty-five cents per page; telephone and facsimile charges as incurred, and postage and express delivery charges as incurred in connection with the services set forth above.

Bond Counsel does not charge for secretarial support services and internal computer time. For any hourly assignments invoices shall be provided periodically, but no more frequently than monthly or less frequently than annually. For Transactional Based Compensation services invoices shall be submitted and payable upon completion of each Financing Obligation transaction or upon earlier termination of intention to proceed with the Financing Obligation transaction. All such billings shall be due and payable within thirty (30) days after receipt of the statement.