

**REQUEST FOR PROPOSALS  
FOR MUNICIPAL FINANCIAL ADVISORY  
SERVICES**



**CITY OF BELVEDERE  
ADMINISTRATIVE SERVICES DEPARTMENT**

City Contact:

Craig Middleton,  
City Manager

**August 2019**

# TABLE OF CONTENTS

## Request for Proposals

- Introduction ..... 1
- Background..... 1
- Selection Schedule. .... 1
- Response Submittal ..... 2
- General Requirements ..... 3
- Submittal Requirements ..... 3
- Overview and Scope of Services ..... 5
- Selection Process ..... 5

## Attachment I

- Contract Services Agreement ..... 7

## Attachment II

- Scope of Services ..... 20

# REQUEST FOR PROPOSALS

## ***Introduction***

The City of Belvedere (City) is requesting proposals from qualified municipal financial advisors to assist the City with bond financing strategies, debt service management, financial planning for capital projects and long-term operational costs.

As part of its ongoing efforts to protect Belvedere and its residents, the City is seeking to finance a series of infrastructure projects related to seismic strengthening and raising of two seawalls, as well as utility relocation and hardening, and other associated projects. The conceptual cost estimate for this work ranges between \$25M and \$30M. The City is looking at a number of sources of funds, and will likely seek voter support in November 2020 for a revenue measure that could support bonding of up to this amount.

The City seeks advice as to the most appropriate approach to financing this infrastructure work. All debt should be structured in a manner that protects current and future taxpayers, ratepayers and constituents of the City, and assures that the City's debt profile maintains consistency with the City's planning goals and objectives and capital improvement program or budget. It is essential to continue to maintain a sound financial position for the City by ensuring that the City has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.

## ***Background***

Incorporated in 1896, the City of Belvedere is a residential community located on the Tiburon Peninsula in Marin County, California with a population of just over 2,100. The City operates under the Council-Manager form of government. Policy-making and legislative authority are vested in the governing City Council, which consists of a Mayor, Vice-Mayor and three Council members. Council members are elected on a non-partisan basis to overlapping four-year terms. Council members select the Mayor and Vice Mayor each year. The City provides a range of municipal services including public safety (police), community development, public works (maintenance and engineering), and general government.

More detailed financial information on the City government, including budget documents and audited financial statements can be found on our website; [www.Cityofbelvedere.org](http://www.Cityofbelvedere.org), under Your Government, Administration, City Finances.

## ***Selection Schedule***

Questions Due	Thursday, August 22, 2019
Responses to questions provided	Tuesday, August 27, 2019
<b>Submittals Due</b>	<b>Tuesday, September 10, 2019 at 4:00 pm</b>
Oral Interviews (Tentative)	Week of September 16, 2019
Contract Awarded	Tuesday, September 24, 2019

# REQUEST FOR PROPOSALS

## *Response Submittal*

Interested firms shall submit an electronic copy of their proposal by e-mail, **no later than September 10, 2019 at 4:00 p.m.** “City of Belvedere 2019 Municipal Financial Advisory Services RFP” must be indicated in the subject line of the e-mail.

### **Submit Proposal to:**

Craig Middleton, City Manager  
Email: [CMiddleton@CityofBelvedere.org](mailto:CMiddleton@CityofBelvedere.org)

### **NO LATE SUBMITTALS WILL BE ACCEPTED.**

Any requests for clarification or other questions concerning this RFP must be submitted via email to Craig Middleton (as shown below) no later than August 22, 2019. Responses to all questions will be provided to all known interested parties by August 27, 2019.

# REQUEST FOR PROPOSALS

## ***General Requirements***

The City of Belvedere reserves the right to reject any or all responses, to waive any informality in any responses, and to select the vendor that best meets the City's needs.

Responses must be submitted no later than the date and time stated on this RFP cover sheet. Responses shall be reviewed and rated as set forth in the Selection Process section of this RFP. The City will then determine which firm best meets the City's requirements.

The City reserves the right to negotiate final pricing with the most qualified firm. The City may invite selected firms to meet with the evaluation team on or around the week of September 16, 2019, at no additional cost to the City.

The City's standard Contract Services Agreement is included as Attachment I. Upon award of the contract, it is expected that the successful proposer will accept the Agreement terms and conditions "as is" without modification. Any contract modifications are to be stated upfront, at the time of submittal.

The proposer shall furnish the City with such additional information as the City may reasonably require.

All data, documents and other products used or developed during performance of the services will remain the property of the City.

## ***Submittal Requirements***

The City requests responses be organized in a logical format that is relevant to these services. The responses shall also be concise, excluding excessive or irrelevant material.

### *Personnel Qualifications*

1. Firms must be registered with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB).
2. The Financial Advisor shall be in good standing with the MSRB and remain in compliance with all applicable rules and requirements of the MSRB, and any other applicable governing authorities, laws, and regulations.
3. The Financial Advisor whom the City hires will have a fiduciary responsibility and obligation to the City of Belvedere's objectives and interests and will act solely on the City's behalf.
4. The Financial Advisory firm shall have a minimum of ten (10) years of exemplary experience in providing municipal financing advisory services.

# REQUEST FOR PROPOSALS

## *Company Background*

Firms must provide the following information regarding the organization:

- Name
- Street Address
- City, State, Zip Code
- Corporate Structure
- State/Country of Incorporation
- Website
- Contact Information

In addition, please include the size of the firm and the location of the office from which the work on this engagement will be performed.

## *References*

For the firm's office that will be assigned responsibility for this proposal, provide a list of the most significant engagements performed in the last five years that are similar to the engagement described in this Request for Proposal. Indicate the scope of work, dates, engagement partners and contact information for the client. In addition, provide a list of all government clients.

## *Pricing Proposal*

For maximum consideration, respondents should provide a minimum of two alternative pricing structures for consideration by the City as described below in (1) and (2). Respondents are welcome to provide additional pricing structures that they believe are appropriate for the Scope of Services.

1. Time and materials – Please provide hourly rates for all employees of the proposer's firm who would be providing services under this contract. List separately any additional costs or reimbursements that would be applicable to work performed under the contract scope.

Terms: Invoiced monthly.

2. Contingency fee – Please provide the fixed contingency fee applicable to the work proposed under this contract, List separately any additional costs or reimbursements that would be applicable under the contract scope.

Terms: Paid from bond proceeds as cost of issuance.

3. Alternative pricing structures – (optional)

# REQUEST FOR PROPOSALS

## *Signature*

The response shall be signed by an official authorized to bind the firm, and shall contain a statement to the effect that the proposal is valid for ninety (90) days.

## ***Overview and Scope of Services***

This Request for Proposals is for Municipal Financial Advisory Services as set forth in Attachment II – Scope of Services.

## ***Selection Process***

Proposal Evaluation. A selection committee will review the proposals and consider the following factors to select the most qualified firm:

- Completeness of Proposal
- Experience as financial advisor for municipal agencies in California
- Professional qualifications of key personnel
- References
- Understanding of the scope of work
- Cost of Services

During the evaluation process, the City reserves the right, where it may serve the City's best interest, to request additional information or clarification from proposing firms/individuals to allow corrections of errors or omissions. The City reserves the right to verify any information contained in proposals, including references, resumes, etc. The City reserves the right to investigate and research proposals, including facts and opinions that could be helpful in evaluating the capabilities of firms/individuals whether or not they were specifically included in the proposals.

Selection Process. The top-ranked firms/individuals may be requested to be interviewed. Interviews will allow the designated firms or individuals an opportunity to answer any questions the City may have regarding their proposals. Participation in the interviews will be at no cost to the City. The City will make the final determination of the successful firm/individual.

# REQUEST FOR PROPOSALS

Proposal Timeline. The City of Belvedere has identified anticipated key dates as follows:

- Questions due August 22, 2019
- Responses to questions provided August 27, 2019
- Proposals due September 5, 2019
- Interview process Week of September 16, 2019
- Contract Awarded September 24, 2019

*NOTE: These dates represent a tentative schedule of events. The City reserves the right to modify these dates at any time, with appropriate notice to prospective Contractors.*

# ATTACHMENT I

## CITY OF BELVEDERE AGREEMENT FOR CONSULTANT SERVICES MUNICIPAL FINANCIAL ADVISORY SERVICES

THIS AGREEMENT is made and effective as of \_\_\_\_\_ between the City of Belvedere, a municipal corporation ("City"), and CONSULTANT NAME ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

### 1. TERM

This Agreement shall commence on \_\_\_\_\_ and shall remain and continue in effect until terminated or revised pursuant to the provisions of this Agreement.

### 2. SERVICES

Consultant shall perform the Tasks to Be Performed described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full.

### 3. PERFORMANCE

Consultant shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all Tasks described herein. Consultant shall employ, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

### 4. CITY MANAGEMENT

City's Public Works Manager shall represent City in all matters pertaining to the administration of this Agreement, review and approval of all services submitted by Consultant, but not including the authority to enlarge the Tasks to Be Performed or change the compensation due to Consultant. The City Manager shall be authorized to act on City's behalf and to execute all necessary documents which enlarge the Tasks to be Performed or change Consultant's compensation, subject to Section 5 hereof.

### 5. PAYMENT

(a) The City agrees to pay Consultant in accordance with the Fee Schedule as set forth in Exhibit B and the schedule of payment as set forth herein, attached hereto and incorporated by this reference.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

# ATTACHMENT I

(c) Consultant will submit invoices for actual services performed. Invoices shall be prepared to reflect costs as set forth in the Fee Schedule (Exhibit B). Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

## 6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City pursuant to Section 5.

## 7. DEFAULT OF CONSULTANT

(a) The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

(b) If the City Manager or his/her delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

## 8. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate

# ATTACHMENT I

records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts there from as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, copies of all documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement (“the Work”) shall be provided by the Consultant to the City. Delivery of the requested information shall be within a mutually agreed upon timeframe, not to exceed 90-days. Any reuse or modification of the Work by City or anyone obtaining it through City will be at City’s sole risk and without liability to Consultant. City will defend, indemnify and hold Consultant harmless from all third party claims, demands, actions, and expenses (including reasonable attorney’s fees, expert fees, and other costs of defense) arising out of or in any way related to the reuse or modification of the Work by City or anyone obtaining it through City.

## 9. INDEMNIFICATION

(a) Indemnification for Professional Liability. When the law establishes a professional standard of care for Consultant’s Services, Consultant shall indemnify, and hold harmless City and any and all of its officials, employees (“Indemnified Parties”) from and against any and all losses, liabilities, damages, costs and expenses, including reimbursement of reasonable attorney’s fees and costs to the extent same are caused in whole or in part by any negligent act, error or omission of Consultant, its officers, agents, employees or sub consultants (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this agreement. Consultant’s defense obligation under this indemnity paragraph means only the reimbursement of reasonable defense costs to the proportionate extent of its actual indemnity obligation hereunder.

(b) Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney’s fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or sub consultants of Consultant.

# ATTACHMENT I

(c) General Indemnification Provisions. Consultant will endeavor to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every sub consultant or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this agreement, and will provide City with documentary evidence of its effort to obtain such agreements. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify City as set forth here is binding on the successors, assigns or heirs of Consultant and shall survive the termination of this agreement or this section.

## 10. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached to and part of this agreement.

## 11. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to the City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control.

Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

# ATTACHMENT I

## 12. LEGAL RESPONSIBILITIES

Consistent with the applicable professional standard of care, the Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity for damages caused by the negligent failure of the Consultant to comply with this Section.

## 13. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City of Belvedere in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City of Belvedere will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

## 14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of the City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Tasks during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Tasks performed under this Agreement.

## 15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or sub consultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or sub consultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Consultant

# ATTACHMENT I

and/or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

## 16. NOTICES

Except for any required insurance notices, which may be sent by regular mail, any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To City:                      City of Belvedere  
   450 San Rafael Avenue  
   Belvedere, CA 94920  
   Attention: Craig Middleton

To Consultant:              NAME  
   STREET  
   CITY STATE ZIP  
   Attention: PERSON

## 17. ASSIGNMENT

The Consultant shall not reassign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Consultant shall provide City fourteen (14) days' notice prior to the departure of PERSON from Consultant's employ. Should he leave Consultant's employ, the City shall have the option to immediately terminate this Agreement, within three (3) days of the close of said notice period. Upon termination of this Agreement, Consultant's sole compensation shall be payment for actual services performed up to, and including, the date of termination or as may be otherwise agreed to in writing between the City and the Consultant.

## 18. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

## 19. GOVERNING LAW

The City and Consultant understand and agree that the laws of the State of

# ATTACHMENT I

California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City of Belvedere.

## 20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

## 21. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF BELVEDERE

CONSULTANT

By: \_\_\_\_\_  
Craig Middleton, City Manager

By: \_\_\_\_\_  
NAME & TITLE  
CONSULTANT

Attest:

\_\_\_\_\_  
City Clerk

Approved As To Form: \_\_\_\_\_  
Emily Longfellow, City Attorney

**ATTACHMENT I**  
**EXHIBIT A**  
**TASKS TO BE PERFORMED**

# **ATTACHMENT I**

## **EXHIBIT B FEE SCHEDULE**

# ATTACHMENT I

## EXHIBIT C

### INSURANCE REQUIREMENTS

*Prior to the beginning of and throughout the duration of the Work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so, to the extent available at commercially reasonable rates. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to City.*

*Consultant shall provide the following types and amounts of insurance:*

Commercial General Liability Insurance using Insurance Services Office “Commercial General Liability” policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 per accident. If Consultant owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Consultant or Consultant’s employees will use personal autos in any way on this project, Consultant shall provide evidence of personal auto liability coverage for each such person.

Workers Compensation on a state-approved policy form providing statutory benefits as required by law with employer’s liability limits no less than \$1,000,000 per accident or disease.

Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverages. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary but covered by the umbrella. Coverage shall be provided on a “pay on behalf” basis, with defense costs payable in addition to policy limits. Policy shall contain a provision obligating insurer at the time insured’s liability is determined, not requiring actual payment by the insured first. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to City for injury to employees of Consultant, subconsultants or others involved in the Work. The scope of coverage provided is subject to approval of City following receipt of proof of insurance as required herein. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

# ATTACHMENT I

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the consultant. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must “pay on behalf of” the insured and must include a provision establishing the insurer’s duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

*Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California and with an A.M. Best’s rating of A-or better and a minimum financial size V.*

General conditions pertaining to provision of insurance coverage by Consultant. Consultant and City agree to the following with respect to insurance provided by Consultant:

1. Consultant agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Consultant also agrees to require all contractors, and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this Agreement, except professional liability, shall prohibit Consultant, or Consultant’s employees, or agents, from waiving the right of subrogation prior to a loss. Consultant agrees to waive subrogation rights, except professional liability, against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.
3. All insurance coverage and limits provided by Contractor and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.
4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to the City and approved of in writing.
5. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises, but only as are available at commercially reasonable rates. Except as to the PL policy, Consultant shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City’s protection without City’s prior written consent.
6. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant’s general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and

# ATTACHMENT I

no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City option.

7. Certificate(s) are to reflect the insurer will provide 30 days' notice to City of any cancellation of coverage, or ten (10) days for cancellation of non-payment of premium. On an annual basis, Consultant shall provide City proof of compliance with insurance requirements consistent with the Agreement.
8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Consultant or any subcontractor other than PL insurance, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self-insurance available to City.
9. Consultant agrees to require that subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage so that such coverage is provided in conformity with the requirements of this section.
10. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.
11. Consultant agrees not to self-insure or to use any self-insured retentions on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement hired by consultant to self-insure its obligations to City. If Consultant's existing coverage includes a self-insured retention, the deductible or self-insured retention must be declared to the City. At that time, the City shall review options with the Consultant, which may include reduction or elimination of the self-insured retention, substitution of other coverage, or other solutions.
12. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in additional cost to the Consultant, the City will negotiate additional compensation proportional to the increased benefit to City.
13. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

# ATTACHMENT I

14. Consultant will endeavor to renew the required coverage annually for ten years to protect against latent defects. This obligation applies whether or not the agreement is canceled or terminated for any reason.
15. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Consultant's insurance agent to this effect is acceptable. A certificate of insurance as required in these specifications applicable to the renewing or new coverage must be provided to City within five days of the expiration of the coverages.
16. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials and agents.
17. The requirements of specific coverage, features, or limits contained in this section are not intended as limitations on coverage, limits, or other requirements, nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.
18. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.
19. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.
20. Consultant agrees to be responsible for requiring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
21. Consultant agrees to provide prompt notice to City of any claim or loss against Consultant arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.
- 22.

# ATTACHMENT II

## SCOPE OF SERVICES

This scope of work is a general guide to the work the City expects to be performed and is not a complete listing of all services that may be required or desired. The City is soliciting proposals from municipal financial advisors that may be selected to provide a comprehensive range of services necessary to produce a financially sound and cost-effective transaction, study, finance plan, or other work product requested by the City.

Selected firms shall provide qualified personnel for services that may include, but are not be limited to, the following:

1. Provide advice and recommendation related to the issuance of bonds and project-specific financing programs.
2. Review the overall financial status of the City and recommend specific financing programs to maximize resources available for the implementation of each specific project.
3. Assist in the formulation of financing plans, including presentations of alternative financial programs and strategies, taking into consideration appropriate debt structures, timing, impact on tax rates and taxpayers, budgeting, credit ratings, tax laws, and assessment of capital market conditions. Respondents should have familiarity with various tax approaches, including real property transfer tax, parcel tax, and others.
4. Provide recommendations whenever requested. In the performance of all aspects of financial planning, financial advisors must be cognizant of constraints imposed upon the City by virtue of its budget and fiscally conservative posture.
5. With respect to bond financings, assist in sizing and structuring of the sale, prepare credit presentations, determine the maturing schedule, establish syndicate policies and closing procedures, and any other matters which may assist the City in obtaining the lowest practical interest cost and the widest competition for purchase of its obligations.
6. Provide information and make recommendations with respect to the City's evaluation of a competitive vs. negotiated sale structure. In the event that the City decides to pursue a negotiated sale or otherwise solicit underwriter proposers, assist with the request for underwriter proposers and the evaluation of the quality of the responses.
7. Assist the City with any steps necessary to ensure the reasonableness and the ability to demonstrate the reasonableness of the total cost of issuance. This includes all professional fees - e.g., bond and disclosure counsel, underwriter (if applicable), trustee, dissemination agent, etc. and other costs (e.g., printing).

## ATTACHMENT II

8. Create presentation materials and arrange calls/meetings with the rating agencies, bond underwriters (if negotiated), institutional investors, financial publications, credit enhancers, and other market participants. Note that presentation materials must meet or exceed the City's current aesthetic and informational standards.
9. Provide the City with an analysis of the benefit of any relevant financial products such as investment agreements, swaps, and interest rate caps.
10. Provide the City with an analysis of the benefit of any credit enhancement, such as bond insurance, lines of credit, letters of credit, and liquidity facilities. Assist in procuring any such credit enhancement and negotiating appropriate fees and terms.
11. Assist in the preparation and review of legal and financing documents in coordination with City Counsel, bond counsel, underwriter's counsel (if any) and disclosure counsel (if any), City staff, and other relevant parties.
12. Provide mailing list and overall management of mailing of the POS and NOS to potential underwriters and investors and manage the production mailing of the final OS.
13. Make available qualified personnel for consultations and conferences with City officials, bond counsel, and staff members of the City, as well as for other meetings on an as needed basis. Assist City management with written updates to the City Council and staff reports as needed throughout the process.
14. Participate in pre-closing and closing activities to ensure that all documents contained in the transaction of the sale accurately reflect the City understands of the terms of the transaction. Review and approve closing documents including the tax certificate and 8038 filing forms. Provide certificates of financial advisor as required.
15. At the request of the City, advise the City on reinvestment strategies for bond proceeds and any other funds related to the financing, execute investment bid processes, as needed, and negotiate final terms and conditions on the City's behalf.
16. Perform other financial advisory services as may be required from time to time, including advising the City on refunding opportunities.
17. At the completion of each transaction, prepare a summary of the transaction describing any unique financing feature, security and other characteristics of the transaction.
18. Analyze and make recommendations relating to various financing options so as to secure the lowest practical interest rate; enhance the marketability of the Bonds; achieve the widest competition for bond purchase to include retail, institutional, and other investor classes; and achieve optimal leverage of City resources, while maintaining a prudent level of risk, through debt obligations. Identify the advantages and disadvantages of any recommendations.

## **ATTACHMENT II**

19. Prior to sale, provide a comparable sales analysis and market outlook to justify proposed scale. In the case of a competitive sale, manage the marketing and sale of the Bonds. In the case of a negotiated sale, act as pricing advisor as the final scale is established.
20. Assist in the coordination of the bond closing.
21. Prepare a comprehensive “Final Pricing Book” within a reasonable time of the closing of each financing transaction that includes information requested by the City.
22. Provide continuing updates and advice on the impact of current or proposed state or federal legislation and market conditions that could affect the financial plans of the City and refunding opportunities.