

**RESOLUTION NO. R-16-18**

**A RESOLUTION REPEALING RESOLUTION NO. R-15-75 AND ENACTING IN LIEU THEREOF A NEW RESOLUTION TO AUTHORIZE THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR MUNICIPAL ADVISOR SERVICES FOR THE CITY OF GLADSTONE, MISSOURI, WITH SPRINGSTED INCORPORATED.**

**WHEREAS;** the City of Gladstone understands and values the independent professional services and oversight that a Municipal Advisor provides and that such services are deemed to be in the best interest of the City; and

**WHEREAS;** since the time of the selection, the principal selected to be Municipal Advisor for the City is no longer in Municipal Advisory services; and

**WHEREAS;** during the course of the Municipal advisor evaluations, Springsted Incorporated was evaluated as the second highest scoring candidate; and

**WHEREAS;** the City of Gladstone Municipal Advisor Selection Committee recommends contracting with Springsted Incorporated as the most qualified firm to provide professional municipal advisory services.

**NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:**

**THAT,** the City Manager of the City of Gladstone, Missouri is hereby authorized to negotiate and execute a contract with Springsted Incorporated for services as Municipal Advisor.

**INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 14<sup>TH</sup> DAY OF MARCH, 2016.**



\_\_\_\_\_  
Mayor Bill Garnos

Attest:



\_\_\_\_\_  
Ruth Bocchino, City Clerk





7010 N Holmes Gladstone, Missouri 64118 816-436-2200 Fax 816-436-2228 Gladstone.mo

March 7, 2016

**To:** Kirk Davis, City Manager

**From:** Dominic Accurso, Accountant

**RE:** Municipal Advisor Services

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The City has been looking to secure the services of a registered Municipal Advisor over the past few months. Management and staff have advertised, secured multiple proposals, interviewed, and evaluated firms to find a Municipal Advisor that would best fit the City's needs. On November 9, 2015, the City Council approved that the City Manager negotiate a Municipal Advisor services contract with an area firm.

Since that date, the principal selected to be Municipal Advisor for the City has left the firm and is no longer in Municipal Advisor services. The next highest scoring firm that was evaluated was Springsted Incorporated. Management and staff have worked with Springsted Incorporated on multiple projects in the past including the 2015 Certificates of Participation refinancing.

City Management recommends repealing resolution R-15-75, a resolution authorizing the City Manager to execute an agreement for municipal advisor services with Columbia Capital Management and to negotiate a Municipal Advisor services contract with Springsted Incorporated. A resolution, authorizing the City Manager to negotiate a municipal advisor services contract, has been placed on the March 14, 2016 agenda for Council consideration.



**AGREEMENT**  
**MUNICIPAL ADVISORY SERVICES**  
**FOR THE**  
**CITY OF GLADSTONE, MISSOURI**

This **AGREEMENT** (the "Agreement"), for municipal advisory services is entered into between **CITY OF GLADSTONE, MISSOURI**, a Missouri municipal corporation organized pursuant to the laws of the State of Missouri, (the "City") and **SPRINGSTED INCORPORATED, a Minnesota corporation** ("Advisor") with respect to the provision of certain services pertaining to various City public finance transactions and related services, the City and the Advisor agree as follows:

WITNESSETH:

WHEREAS, the City has determined that the services of a municipal advisor are appropriate, convenient and necessary in order to effectuate its purposes; and

WHEREAS, the Advisor is experienced and qualified to provide municipal advisory services to the City as contemplated in this Agreement; and

NOW, THEREFORE, the parties hereto do mutually agree as follows:

**1. Term of Agreement**

The term of this Agreement shall commence upon the date of execution by both parties for a period of three (3) years with an option to extend the Agreement for up to two (2) additional one (1) year periods.

**2. Content of Agreement**

The Agreement consists of this signed document including the exhibits attached hereto which are incorporated herein. The City's Request for Qualifications and the Advisor's proposal to the City dated September 15, 2015, are hereby incorporated by reference. In the event of any conflict between documents, the provisions of this Agreement shall control.

**3. Amendment, Supplement or Modification**

The Agreement constitutes the entire agreement between the Advisor and the City. The Agreement may be amended, supplemented or modified only in writing, executed by representatives of the City and the Advisor. Such amendments, supplements or modifications cannot alter the terms of the Agreement as executed unless expressly agreed to in writing by the City and the Advisor. If any provision herein is held to be invalid or unenforceable, the remainder of the Agreement shall remain in full force and effect.

#### **4. Scope of Services**

During the period that this Agreement is effective, the Advisor will provide the following services:

- A. As directed by the City, perform all the duties customarily performed by municipal advisors in connection with the public offering and sale of municipal securities.
- B. Advise the City on term, structure and marketing features of a transaction, including, but not limited to, type of sale (negotiated or competitive), maturity dates, couponing, call features, security provisions and covenants and costs of issuance in consideration of the policies and goals of the City.
- C. As requested by the City, and in cooperation and communication with the City, to prepare for all meetings and public presentations related to the issuance of debt, to include but not be limited to: rating agency presentations, insurer presentations, investor presentations, City Council presentations, internal staff presentations, and public presentations.
- D. Assist the City in soliciting bids for and procuring the services of credit enhancement agencies, banking services, internet disclosure and bidding services and any other related financial services essential to any alternative forms of financing which the City may elect to use.
- E. Advise the City on market conditions and other factors affecting the successful sale of the Bonds.
- F. As directed by the City, assist in the marketing of the Bonds or Notes among prospective bond underwriters and investors.
- G. In the case of a competitive bond sale, assist in the preparation and distribution to the prospective investors, financial institutions and bidders the Official Notice of Sale and assist in the preparation of the Preliminary and Final Official Statement containing comprehensive information with respect to any Notes or Bonds being offered by the City, and the legal documents and other information necessary for the sale of the debt. The Advisor will coordinate the public sale of such securities through an internet medium.
- H. As requested and directed by the City, in the case of a negotiated sale, represent the City and assist in the preparation of the preliminary and final Official Statements for any Notes or Bonds being offered by the City, the legal documents and other information necessary for the sale of the debt. Based upon the City's defined selection criteria the Advisor will recommend an underwriting syndicate and assist the City in all of its negotiations with the selected underwriters including, but not limited to, the actual pricing of the debt.

- I. Review the City's outstanding debt as the market conditions dictate to identify refunding and other restructuring opportunities that would reduce the City's debt service or provide the City with more flexibility to meet its financial and programmatic goals.
- J. As requested by the City, assist the bond counsel in any way needed.
- K. Assist the City to coordinate compliance with federal and state laws, regulations and guidelines related to a particular debt transaction.
- L. Assist the City with the investment of bond proceeds, to include:
  - i. Developing appropriate bid specifications
  - ii. Providing to the City an electronic copy of the final bid specifications
  - iii. Disseminating bid specifications to the provider community and taking bids at a specified date and time
  - iv. Tabulating, analyzing and verifying bids received
  - v. Obtaining copies of all the bids for the Investment Agreements showing the time and date of the bid
  - vi. Providing to the City electronic copies of all the bids for the Investment Agreements showing the time and date of the bid
  - vii. Identifying for the City all deviations of the bids received from the terms set out in the bid specifications
  - viii. Providing to the City an electronic copy of a summary of the deviations of the bids received from the terms set out in the bid specifications
  - ix. Providing to the City electronically a summary of all bids received
  - x. Negotiating the final terms of the agreement bid
  - xi. Coordinating the closing of the investment
  - xii. Ensuring that the City receives electronic and paper copies of the final executed Investment Agreement
- M. Review proposals submitted to the City by investment bankers or other financial service providers, as the City may require.
- N. Proceed immediately upon the direction of the City with investigation, studies and planning for the purpose of expanding existing programs or developing new programs to further the policies and goals of the City.
- O. Generally provide such other operational assistance, advice and consultation as may be appropriate and requested by the City.
- P. Upon request and subject to terms negotiated apart from this Agreement, the Advisor will be available to provide additional financial services to the City on an as needed basis, including but not limited to services related to:

- i. debt management policy,
- ii. investment policy formulation,
- iii. investment strategy and advice,
- iv. Federal Agency relations activities,
- v. investor relations activities, and
- vi. expert testimony.

## **5. Rates and Fees**

A. Transactional Services. The Advisor will be compensated based on the principal/notional amount of debt issued based on the schedule set forth in Exhibit A. In addition to the fees in Exhibit A, the Advisor shall be reimbursed for actual out-of-pocket expenses including costs for travel, printing/duplicating, conference calling services, overnight delivery services, etc., and any transaction costs not directly related to financial advisory services that the Advisor pays, such as printing the official statement or rating agency fees. The Advisor shall provide an estimate of such fees prior to each transaction upon request of the City. Because of the Advisor's proximity to the City, it is expected travel costs will be negligible.

B. Other Services. If desired by the City, the Advisor will provide other public finance services outlined in Exhibit A at the rates and fees stated therein unless otherwise agreed upon by the City and the Advisor.

C. Hourly Services. For any additional services, the Advisor will charge the fees outlined in Exhibit A unless otherwise agreed upon by the City and the Advisor.

## **6. No Subcontracting without Prior Consent**

The parties acknowledge that the Advisor anticipates performing all work anticipated by this Agreement with its own staff and does not plan to engage any third-parties or subcontractors to assist in its efforts. In the event the use of a third-party or subcontractor were to become necessary, the Advisor agrees to seek the written consent of the City prior to engaging the third-party or subcontractor. If services cannot be provided as requested, the City may obtain services with another firm without being in breach of this Agreement.

## **7. Municipal Advisor as Fiduciary**

In addition to, but not in lieu of any and all applicable fiduciary standards imposed under federal or state law, the Advisor shall act as a fiduciary to the City. As a fiduciary, the Advisor shall perform its duties under this Agreement with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in an enterprise of like character and with like aims.



## **8. Insurance**

The Advisor's insurance shall be primary as respects to the City. Any other insurance maintained by the City shall be excess and not contributing insurance with the Advisor's insurance. The following are the requirements for insurance to be provided and maintained by the Advisor for duration of this agreement. These limits can be attained by individual policies or by combining primary and umbrella policies.

A. Minimum Limits of Insurance. Commercial General Liability Insurance (CGL): the Advisor shall maintain for the duration of the Agreement CGL with the limit of not less than \$1,000,000 each occurrence. CGL insurance shall be written on ISO occurrence form CG 00 01 96 (or substitute form providing equivalent coverage). The policy shall cover liability arising from premises operations, independent contractors, products – completed operations, personal injury, liability assumed under an insured contract (including the tort liability of another assumed in a business contract). The City shall be named as additional insured under this policy.

B. Workers' Compensation. Workers compensation and employer's liability insurance as required by the state where the work is performed.

C. Professional Liability. The Advisor shall maintain in force for the duration of this Agreement errors and omissions liability insurance appropriate to the Advisor's profession. Coverage is required in this section shall apply to liability for a professional error, act, or omission arising out of scope of the Advisor's services as defined in this Agreement. Coverage shall be written subject to limits of not less than \$1,000,000 per loss with an annual aggregate of \$1,000,000. This insurance coverage under such certificates shall be retroactive to the earlier of the date of this Agreement or the commencement of the Advisor's services here under.

D. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees, and volunteers, the Advisor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

E. Other Insurance Provisions. The General Liability policy is to contain or be endorsed to contain the following provisions:

- i. The City, its officers, officials, employees, and volunteers are to be covered as additional insured with respect to liability on behalf of the Advisor including materials, parts, or equipment furnished in connection with such work or operations and with respect to liability arising out of work or operations performed by the Advisor.
- ii. For any claims related to this Agreement, the Advisor's insurance coverage shall be primary insurance as respects to the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Advisor's insurance.

- iii. Each insurance policy shall not be cancelled or materially changed, except after thirty (30) days' prior written notice by certified mail, return receipt requested has been given to the City by Advisor.
- iv. Maintenance of the proper insurance for the duration of the Agreement is a material element of the Agreement. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the Agreement by the Advisor.

## **9. Notice**

Any required notice under the Agreement or contact by either party to the other deemed necessary to fulfilling its obligations under the Agreement will be in writing and shall be made so that the other party shall have not less than three (3) business days to respond or to act upon such notice.

Any notice to the City shall be made in writing and directed to the City Manager, with a copy to the City Counselor, at City of Gladstone, 7010 N. Holmes, Gladstone, MO 64118. Any notice to the Advisor shall be made in writing and directed to the Managing Director in writing to: Springsted Incorporated, 380 Jackson Street, Suite 300, St. Paul, Minnesota 55101-2887, Attention: Managing Principal.

## **10. Representative's Authority to Contract.**

By signing this Agreement, the representatives for each party thereby represents that such person is duly authorized to execute this Agreement on behalf of that party and agree to be bound by the provisions thereof.

## **11. Entire Agreement.**

This Agreement is the full and entire understanding and agreement of the parties with regard to the subjects discussed herein.

## **12. Applicable Law**

The Advisor shall comply with all applicable laws of the State of Missouri and the United States of America, including but not limited to the Dodd-Frank Wall Street Reform and Consumer Protection Act, rules and regulations of the Securities and Exchange Commission, and the Municipal Securities Rulemaking Board. The Advisor shall furnish proof acceptable to the City of appropriate business licensing and SEC and MSRB municipal advisor registration. The Advisor company name shall be lawfully registered with the state of Missouri. Regulatory reports required under laws applicable to the Advisor by any regulatory authority shall be the responsibility of the Advisor (see Appendix D disclosures). This Agreement shall be construed and governed in accordance with the laws of the State of Missouri to the extent that such laws are not pre-empted by the laws of the United States of America. By entering into this Agreement, the Advisor agrees that any action or proceedings against the City arising out of or in connection with this Agreement shall be instituted in the Clay County Circuit Court.

### **13. Use of Other Advisory Firms**

The City may engage and consult with other firms on issues financial or nonfinancial without the consent of the Advisor in the event the Advisor is unable to provide the services requested by the City, the Advisor has a conflict of interest with regard to a particular issue, or the City determines in its discretion that it is in the best interest of the City to utilize the services of another firm on a project or issue for which that firm was previously engaged or otherwise.

### **14. Termination**

Either party may terminate this Agreement with seven (7) days' written notice to the other party at any time without cause. Provided, however, that a termination of this Agreement shall not relieve Client of its obligations to pay Advisor for all services rendered and reimbursable expenses incurred prior to the effective date of termination.

### **15. Claims and Liabilities**

The Advisor hereby releases, indemnifies and holds harmless the City, its officers, employees, agents, guests or business visitors from any and all loss, claims, suits or any liability whatsoever, whether made, instituted or asserted by the Advisor or by another person or party, for any personal injury or death of any person or persons or for any loss, damage or destruction of any property whether owned by the Advisor or others arising out of any act or omission by the Advisor or its officers, employees, agents, guests or business visitors, and the Advisor agrees to indemnify and hold harmless the City, its officers, employees, agents, guests or business invitees for all damages and expenses, including attorney's fees arising therefrom.

### **16. Non-discrimination in Employment**

During the performance of this Agreement, the Advisor shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, or disability status. The Advisor shall take affirmative action to ensure that applicants are employed and employees are treated during employment without regard to their race age religion, sex, national origin, or disability status.

### **17. Illegal Aliens**

Pursuant to Section 285.530(1), RSMo., by its sworn affidavit in substantially the form attached hereto as Exhibit B and incorporated herein, the Advisor hereby affirms its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the professional services. Furthermore, the Advisor affirms that it does not knowingly employ any person who is an unauthorized alien in connection with the professional services.

IN WITNESS WHEREOF, the City and the Advisor have caused the Agreement to be duly executed intending to be bound thereby and certify that they are authorized to sign the Agreement effective this 17 day of March, 2016

**THE CITY OF GLADSTONE, MISSOURI**

{City Seal}

ATTEST:

By:

  
Kirk Davis, City Manager

By:



Ruth Bocchino, City Clerk

APPROVED AS TO FORM:

By:



Chris Williams, ~~Interim~~ City Counselor

**Springsted Incorporated**

BY:



Tom Kaleko, Senior Vice President

## **EXHIBIT A**

### **A. COMPENSATION FOR SERVICES RELATING TO CLIENT'S DEBT OBLIGATIONS**

1. a. General obligation debt:
  - Base fee of \$7,500 for a bond issuance, plus
  - \$5 per \$1,000 for the first \$2,500,000 of bonds issued
  - \$1 per \$1,000 for amounts over \$2,500,000 of bonds issued
- b. The foregoing schedule shall include the Advisor's services through closing of a Debt Obligation. If the Advisor performs post-closing services relative to a Debt Obligation; it shall be compensated for such services at the hourly rates set out in paragraph B. of this appendix.
- c. A single Debt Obligation with multiple financing plans is charged per plan with a discount of \$4,000 per plan applied after the first plan.
- d. Non ad valorem supported debt and advance refunding shall be compensated at 1.25 times the fee set out in paragraph 1.a. above.
- e. Debt Obligations dependent on successful referenda shall be compensated at 1.10 times the fee set out in paragraph 1.a. above.
- f. In the event it is necessary for the Advisor to repeat Debt Obligation services because of events beyond the Advisor's control, the Advisor shall be compensated for such repetitive services at the hourly rates set out in the foregoing paragraph B. of this Appendix. The Advisor shall not be entitled to compensation under this section for failed referenda unless otherwise provided by agreement between the Client and the Advisor.
- g. Services related to investment of bond proceeds shall be provided by Springsted Investment Advisors Incorporated under a separate agreement.
- h. The Advisor's fees shall be payable as follows:
  - i. For a Debt Obligation, fees shall be contingent upon closing of the Debt Obligation, except that if the Debt Obligation is awarded but cannot be closed by reason of an error, act or omission of the Client, the Advisor shall be paid the amount which it would have been due upon closing.
  - ii. If an issuance does not close for a reason that is beyond the control of the Client and without fault of the Client, then the Advisor shall be compensated at one-half the amount which would have been due upon closing.
  - iii. Fees for services provided in connection with a private placement are not contingent on the successful placement of the Debt Obligation.

iv.If a Client Debt Obligation is abandoned for any reason and the Advisor is without fault for such abandonment, the Advisor shall be paid a fee in the amount that would have been due if the Advisor's services to the point of abandonment had been charged at the hourly rate set out in paragraph B. herein however not more than the fee had the Debt Obligation been issued. A Debt Obligation shall be deemed abandoned upon notice by the Client to the Advisor of abandonment or whenever the Client has taken no action with respect to the Debt Obligation within one year, whichever occurs first. Delay in the issuance of Debt Obligations resulting from failed authorization referenda shall not constitute abandonment unless otherwise provided by agreement between the Client and the Advisor.

2. The Client shall be responsible for issuance expenses including, without exclusion of other expenses: (i) posting and distributing the Official Statement, (ii) legal fees, (iii) printing, (iv) delivery and settlement, (v) travel, (vi) rating fees, (vii) out-of-pocket Debt Obligation related expenses, and (viii) governmental and governmental agency fees and charges.

#### **B. HOURLY RATES FOR NON-DEBT ISSUANCE RELATED SERVICES**

Principal, Senior Officer.....\$260  
Senior Professional Staff.....\$215  
Professional Staff ..... \$160  
Associates..... \$ 75

#### **C. ARBITRAGE AND REBATE MONITORING SERVICES**

1. Fees for arbitrage services shall be as applied as follows:
  - a. \$1,500 per determination per Debt Obligation when such determinations are made annually as of the selected computation date of the applicable Debt Obligation's date of issuance, or
  - b. \$1,500 for the first year, plus \$400 for each additional year up to a five year period per determination for each Debt Obligation when such determinations are made for periods in excess of one year.
2. At such time as the original proceeds and investment earnings thereon are completely expended and only a non-commingled bona fide debt service fund remains, the Advisor will notify the Client if compliance with the arbitrage provisions can be accomplished through monitoring of the Debt Service fund. In the event such recommendation is made and it is accepted by the Client, the Advisor will perform monitoring activities for a fee of \$400 for annual monitoring or \$850 for monitoring at the close of every fifth bond year. If, for any determination period, monitoring reveals that the debt service fund is no longer bona fide and a rebate calculation must be performed, any charge for monitoring for that determination period will apply toward the applicable fee for rebate and arbitrage services.
3. If (i) separate information for each Debt Obligation is not provided, (ii) Advisor is required to perform allocations of investments among funds, or (iii) the Advisor is required to perform other analysis, additional compensation will be charged for such allocations/analyses at the hourly rates in paragraph B.

#### **D. CONTINUING DISCLOSURE SERVICES**

Report preparation and filing per type of obligation:

- a. Full disclosure report created by Advisor, \$1,300, plus \$200 each debt obligation
- b. Full or limited disclosure official statement with updated data that can be referenced, \$0, plus \$200 each debt obligation
- c. Full disclosure all operating data included within CAFR, \$600, plus \$200 each debt obligation
- d. Limited disclosure, \$600, plus \$200 each debt obligation

Client shall be responsible for county auditor certification fees, if required, and any legal fees incurred in connection with determining compliance with continuing disclosure certificates or interpretation of significant events or filing of the annual report.

EXHIBIT B

CITY OF GLADSTONE, MISSOURI  
WORK AUTHORIZATION AFFIDAVIT  
PURSUANT TO 285.530, RSMo  
(FOR ALL CONTRACTS IN EXCESS OF \$5,000.00)

STATE OF Missouri )  
 ) ss.  
COUNTY OF Jackson )

As used in this Affidavit, the following terms shall have the following meanings:

EMPLOYEE: Any person performing work or service of any kind or character for hire within the State of Missouri.

FEDERAL WORK AUTHORIZATION PROGRAM: Any of the electronic verification of work authorization programs operated by the United States Department of Homeland Security or an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, under the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603.

KNOWINGLY: A person acts knowingly or with knowledge, (a) with respect to the person's conduct or to attendant circumstances when the person is aware of the nature of the person's conduct or that those circumstances exist; or (b) with respect to a result of the person's conduct when the person is aware that the person's conduct is practically certain to cause that result.

UNAUTHORIZED ALIEN: An alien who does not have the legal right or authorization under federal law to work in the United States, as defined in 8 U.S.C. 1324a(h)(3).

BEFORE ME, the undersigned authority, personally appeared Tom Kalcko, who, being duly sworn, states on his oath or affirmation as follows:

1. My name is Tom Kalcko and I am currently the Sr. V.P. of Springsted Incorporated (hereinafter "Advisor"), whose business address is 9229 Ward Parkway, and I am authorized to make this Affidavit. Kansas City, MO 64114

2. I am of sound mind and capable of making this Affidavit and am personally acquainted with the facts stated herein.

3. The Advisor is enrolled in and participates in a federal work authorization program with respect to the employees working in connection with the citizen satisfaction survey contracted between Advisor and the City of Gladstone, Missouri.

4. The Advisor does not knowingly employ any person who is an unauthorized alien in connection with the contracted services set forth above.



Tom Kaldto

Affiant

Tom Kaldto

Printed Name

Subscribed and sworn to before me this 22 day of MAY, 2016.

[Signature]

Notary Public

MARIE BOULES

SEAL



## EXHIBIT C

### CONTINUING DISCLOSURE AND ARBITRAGE MONITORING SERVICES

Should Client choose to engage Advisor for either Continuing Disclosure or Arbitrage Monitoring Services, the scope of such engagements shall be as follows:

#### SCOPE OF SERVICES

##### A. Arbitrage Monitoring Services

Upon receipt of written authorization by the Client to proceed, Advisor shall, based on information supplied by Client, make arbitrage calculations (to include for purposes of this document, rebate and yield reduction calculations) required by Section 148 of the Internal Revenue Service ("IRS") Code and related U.S. Treasury regulations with respect to specified Debt Obligations for the period of time designated for any such Debt Obligation. In carrying out its duties, the Advisor shall periodically, for each specified Debt Obligation:

1. Determine the yield on the applicable Debt Obligation;
2. Determine if spending exceptions have been met;
3. Determine the amount of any arbitrage payment due the IRS;
4. Notify Client and/or its designee of any liability amount;
5. Prepare for submission by Client the form/s with which to submit any payment amount due to the IRS at the appropriate intervals throughout the term of the engagement relative to each specified Debt Obligation;

Client agrees to timely provide the Advisor with accurate information concerning cash and investment activity within all funds relative to the subject Debt Obligations. The information to be provided shall include:

1. Deposits and withdrawals of proceeds or money from other sources within any funds subject to the IRS arbitrage rules;
2. Payments of principal and interest on the Debt Obligations; and
3. All investment activity including:
  - a) Date of purchase or acquisition;
  - b) Purchase price of investments including any accrued interest;
  - c) Face amount and maturity date;
  - d) Stated rate of interest;
  - e) Interest payment dates;
  - f) Date of sale, transfer, or other disposition;

- g) Sale or disposition price; and
  - h) Accrued interest due on the date of sale or disposition;
4. Any other information necessary for the Advisor to make the calculations required for the specified Debt Obligation.

**B. Continuing Disclosure Services**

Upon receipt of written authorization from the Client to proceed, Advisor shall, based on the information supplied thereby, assist Client in satisfying its obligations for specified Debt Obligations under any applicable continuing disclosure undertaking executed by and requiring the Client to provide certain financial information and operating data and timely notices of the occurrence of certain events determined to be significant to investors. Such assistance will include the following for each specified Debt Obligation:

1. Compile, as needed, and file an annual report according to the continuing disclosure undertaking (the "Undertaking") executed by Client pursuant to SEC Rule 15c2-12(b)(5) for the Debt Obligation(s) for submission by Client to the Municipal Securities Rulemaking Board (MSRB) and the State Information Depository (SID), as applicable. The annual report will generally include:
  - a) An annual audited financial statement to be prepared by Client's accountants.
  - b) Updates of certain specified operating and financial data if not included in the annual audited financial statement.
2. Monitor through periodic requests for information, the significant events listed in the Undertaking and assist, as necessary, in the drafting and filing of a significant event notice relative thereto.
3. Advisor will furnish a receipt of filing for any continuing disclosure filing made within 30 days after its submission to the MSRB.

Client agrees to provide the Advisor with accurate information with respect to compiling the annual report in a timely manner and to fully disclose to Advisor any significant events as they occur.

## **EXHIBIT D**

### **MATERIAL OR POTENTIAL CONFLICTS OF INTEREST**

#### **CONTINGENT FEE**

Although this form of compensation is common in the municipal securities market, if the fees to be paid by the Client to the Advisor are based on the size of the transaction and partially or fully contingent on the successful closing of the transaction, it presents a potential conflict. Advisor may have incentive to recommend unnecessary financings or financings that are disadvantageous to Client. For example, when facts or circumstances arise that could cause the financing or other transaction to be delayed or fail to close, Advisor may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction. Advisor manages and mitigates this conflict primarily by adherence to the fiduciary duty which it owes to municipal entity clients which require it to put the interests of the client ahead of its own.

#### **AFFILIATED ENTITIES AND SUBSIDIARIES**

Advisor's wholly owned subsidiary, Springsted Investment Advisors Incorporated ("SIA") may provide services to Client in connection with the investment of proceeds from an issuance of securities. In such instances, such services will be provided under a separate engagement for an additional fee. Notwithstanding the foregoing, Advisor may recommend the use of SIA, but Client shall be under no obligation to retain SIA or to otherwise utilize SIA relative to Client's investments. Advisor manages and mitigates this conflict primarily by adherence to the fiduciary duty which it owes to municipal entity clients which require it to put the interests of the client ahead of its own.

Advisor's wholly owned subsidiary, Waters & Company, Incorporated ("Waters") may provide services to Client in connection with executive search or referendum services. In such instances, such services will be provided under a separate engagement, for an additional fee. Notwithstanding the foregoing, Advisor may recommend the use of Waters, but Client shall be under no obligation to retain Waters or to otherwise utilize Waters relative to Client's executive search or referendum activities. Advisor manages and mitigates this conflict primarily by adherence to the fiduciary duty which it owes to municipal entity clients which require it to put the interests of the client ahead of its own.

#### **OTHER MATERIAL CONFLICTS OF INTEREST**

Advisor has determined, after exercising reasonable diligence, that it has no known material conflicts of interest that would impair its ability to provide advice to Client in accordance with its fiduciary duty to municipal entity clients. To the extent any such material conflicts of interest arise after the date of this Agreement, Advisor will provide information with respect to such conflicts in the form of a written supplement to this Agreement.

#### **LEGAL OR DISCIPLINARY EVENTS**

Advisor is registered as a "municipal advisor" pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the United States Securities and Exchange

Commission (“SEC”) and the Municipal Securities Rulemaking Board (“MSRB”). As part of this registration Advisor is required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving Advisor. Pursuant to MSRB Rule G-42, Advisor is required to disclose any legal or disciplinary event that is material to the Client’s evaluation of Advisor or the integrity of its management or advisory personnel. Advisor has determined that no such event exists.

Copies of Advisor filings with the United States Securities and Exchange Commission can currently be found by accessing the SEC’s EDGAR system Company Search Page which is currently available at <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Springsted Incorporated or for our CIK number which is 1613940.

