

CITY COUNCIL

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James Sanchez, City Attorney
Shirley Concolino, City Clerk
John F. Shirey, City Manager
Russ Fehr, City Treasurer



Agenda

City Council

Financing Authority

Housing Authority

Public Financing Authority

Redevelopment Agency

Successor Agency

City Hall-Council Chamber

915 I Street, 1st Floor

**Published by the Office of the City Clerk
(916) 808-5163**

SUPPLEMENTAL MATERIAL

For the Meeting of: June 9, 2015

Item Number: Item 18

Title: **(Redevelopment Agency Successor Agency)
Authorize Issuance of 2015 Refunding Bonds
and Related Agreements**

Contact Information: Damien Charl  ty, Debt Analyst, (916) 808-5517; Janelle Gray, Debt Manager, (916) 808-8296, Office of the City Treasurer

Description of Change: The attached material was not available at the time of publishing.

April 06, 2015

City Agreement No. 2014-0395

Addendum No. 11

Project Name: Tax Allocation Revenue Bonds Refinancing

Scope of financial-advisor services covered by this addendum:

Assist the City Treasurer's Office with the proposed refinancing of several bond issues supported by tax allocation payments, including some or all series of the 1999 Capital Improvement Revenue Bonds, 2002 Capital Improvement Revenue Bonds, Series A, 2003 Tax Allocation Bonds, Series A and C, 2005 Refunding Revenue Bonds, 2005 Tax Allocation Bonds, Series A and B, 2006 Capital Improvement Revenue Bonds, Series A, B, and E, and 2006 Tax Allocation Bonds, Series A and B. CONTRACTOR shall assist the City Treasurer's Office with any tasks related to the refinancing (e.g., feasibility analysis, financial analysis).

CONTRACTOR'S total compensation for performing the scope of services described above will be determined in accordance with Exhibit B to the Master Agreement and is not to exceed \$55,000.

CONTRACTOR shall complete the scope of services described above by December 01, 2015.

CITY funding Source: 1001-05000-05001011-433060 (City Treasurer Operating Expense Budget), paid from or reimbursed from bond proceeds, or paid directly from cost of issuance account.

Approved by the City of Sacramento

By: 
Russell T. Fehr, City Treasurer

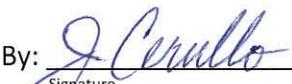
Date: 5/12, 2015

Attest:
Sacramento City Clerk

By: 
Signature

Print Title

Approved as to Form
Sacramento City Attorney

By: 
Signature
Senior Deputy
Print Title

Approved by FirstSouthwest Company

By: 
Signature

Print Name

JOSEPH YEW
SENIOR VICE PRESIDENT

Print Title

Date: April 6, 2015

2014-0395-11
Title: Tax Allocation Revenue Bonds
Other Party: FirstSouthwest

AGREEMENT FOR BOND-COUNSEL SERVICES

Redevelopment Agency Successor Agency of the City of Sacramento Tax Allocation Refunding Bonds, Series 2015A (Tax Exempt) and Series 2015B (Taxable)

This Agreement for Bond-Counsel Services, dated as of June 9, 2015, for reference, is between the REDEVELOPMENT AGENCY SUCCESSOR AGENCY of the dissolved Redevelopment Agency of the City of Sacramento, a California public entity created by statute ("**RASA**"); and ORRICK, HERRINGTON & SUTCLIFFE LLP, a California limited-liability partnership ("**Orrick**").

Background

RASA desires to engage the services of Orrick in connection with RASA's authorization, issuance, sale, and delivery of one or more series of Redevelopment Agency Successor Agency of the City of Sacramento Tax Allocation Refunding Bonds, to be issued for the purpose of refinancing certain obligations of RASA (the "**2015 Bonds**").

RASA and Orrick desire to enter into this agreement to evidence the engagement of Orrick in connection with the 2015 Bonds and to specify the terms of the engagement. Orrick possesses the necessary professional capabilities and resources to provide the legal services required by RASA, as described in this agreement.

With these background facts in mind, RASA and Orrick hereby agree as follows:

1. ***Scope of Services.*** RASA retains Orrick as special counsel to perform, and Orrick shall perform, the following legal services for RASA in connection with the 2015 Bonds:
 - (a) Consultation with RASA's representatives (including the Sacramento City Treasurer and the Sacramento City Attorney), RASA's disclosure counsel, RASA's financial advisor, the underwriters and their counsel, and others with respect to the timing, terms, and legal structure of the 2015 Bonds.
 - (b) Preparation of documents that are required for the authorization, issuance, sale, and delivery of the 2015 Bonds and are to be adopted or entered into by RASA, including authorizing resolutions, indentures and any supplemental indentures, site leases and facility leases, and any other documents that are needed if a new joint-powers agency is used in the financing (the "**Major Legal Documents**"). The Major Legal Documents do not include any official statement, purchase contract, or continuing-disclosure certificate or agreement, which, except as provided in sections 1(d) and 2(b) below, will be prepared by RASA's disclosure counsel or the underwriter's counsel.
 - (c) Review of the official statements, purchase contracts, and continuing-disclosure certificate or agreements.
 - (d) Preparation of summaries of the Major Legal Documents for inclusion in the official statements.

- (e) At RASA's request, (1) attendance at meetings or hearings of RASA's governing board and at working-group meetings or conference calls; and (2) assistance to RASA's staff in preparation of reports and presentations to RASA's governing board.
 - (f) Rendering of Orrick's customary form of (1) a final approving opinion to RASA on the validity of the 2015 Bonds and the tax-exempt status of interest on the 2015 Bonds and (2) a supplemental opinion to the underwriters on the accuracy of summaries of the Major Legal Documents contained in the official statements and of the tax portion of the final legal opinion and certain other matters.
 - (g) Preparation and delivery to RASA of a transcript of the legal proceedings for the 2015 Bonds in both loose-leaf and CD-ROM formats.
 - (h) After issuance of the 2015 Bonds, telephone consultations with RASA's officials, staff, and consultants to answer questions about the facts and circumstances concerning the 2015 Bonds.
2. *Excluded Services.* Orrick's services under this agreement do not include the following, although Orrick may provide these services under a separate agreement with RASA:
- (a) Legal services in connection with any litigation or other legal or administrative proceeding, audit, or investigation involving any of the 2015 Bonds or any related matter.
 - (b) Legal Services in connection with the preparation, content, or dissemination of the official statements (other than preparation of summaries of the Major Legal Documents and the portion of the official statements provided by Orrick concerning certain tax matters).
 - (c) Legal services related to compliance with the California Environmental Quality Act.
 - (d) Legal services in connection with arbitrage-rebate compliance respecting the 2015 Bonds.
 - (e) Legal services relating to state blue-sky laws or to title to, or perfection of security interests in, real or personal property.
 - (f) Financial analysis or advice.
3. *Circulation and Review of Documents.* RASA retains the full-time services of the Sacramento City Attorney's Office for day-to-day and ongoing legal services. Orrick shall circulate documents to, and coordinate its services with, the City Attorney's Office to the extent requested by RASA or the City Attorney's Office. Orrick may assume that one of the attorneys in the City Attorney's Office has reviewed all documents and matters submitted to RASA's governing board for adoption or approval, or to RASA's officers for execution, before those documents and matters are adopted, approved, or executed.

4. *Compensation.* As consideration for the services set forth in section 1, RASA shall pay to Orrick the following fees and disbursements:
 - (a) As legal fees, RASA shall compensate Orrick for legal services rendered based on the time expended by Orrick's attorneys and paralegals at their hourly rates in effect from time to time. As of the effective date of this agreement, the standard hourly rates for the attorneys and paralegals most likely to work on the 2015 Bonds are Jenna Magan (\$795), Kevin Hale (\$705), Brandon Dias (\$705), Chas Cardall (\$910), John Stanley (\$705), and Melissa Warr (\$270). Any increase in these rates will be effective as of the date Orrick gives RASA written notice of the increase under section 11 below.
 - (b) As reimbursement for expenses (disbursements), including preparation and distribution of a transcript in loose-leaf and CD-ROM formats, a flat amount of \$3,500.
 - (c) On July 1, 2015, and on each October 1, January 1, April 1, and July 1 thereafter, Orrick shall provide RASA with a summary of the total legal fees and expenses accrued up to the date of the summary for services rendered under this agreement.
 - (d) Except as provided in section 5 regarding RASA's termination of this agreement, payment of legal fees and reimbursement of expenses are contingent upon the issuance, sale, and delivery of the 2015 Bonds and will be exclusively from the proceeds of the 2015 Bonds. The amounts owed will be due and payable forthwith upon Orrick's presentation of an invoice after the issuance, sale, and delivery.
5. *Termination.* Either party may, at any time, terminate this agreement and all legal services to be rendered under it, with or without cause, by giving written notice to the other party. In that event, all finished and unfinished documents that Orrick has prepared for RASA's adoption, approval, or execution will, at RASA's option, become RASA's property, and Orrick shall deliver them to RASA or to any party RASA may designate, all subject to the condition that Orrick will have no liability whatsoever for any subsequent use of such documents. If RASA terminates this agreement, then RASA shall pay Orrick forthwith for all satisfactory work at Orrick's hourly rates specified in section 4(a) above, subject to the following: if RASA terminates for cause, then any compensation is to be adjusted in the light of the facts and circumstances involved in the termination. If not sooner terminated, then this agreement and all legal services to be rendered under it will terminate upon issuance, sale, and delivery of the 2015 Bonds, except that RASA will remain liable for any unpaid fees and expenses due under section 4 above. Upon termination, Orrick will have no future duty of any kind to RASA with respect to the 2015 Bonds, except as provided in sections 1(g) and 1(h) above.
6. *Role of Bond Counsel.*
 - (a) The role of bond counsel in financings, generally, is to prepare or review documents and to coordinate the procedures for authorization of the issuance, sale, and delivery of the 2015 Bonds and to provide an expert legal opinion with respect to the validity of the 2015 Bonds and other subjects addressed by the opinion. Consistent with the historical

origin and unique role of bond counsel, and the reliance thereon by the public-finance market generally, Orrick's role as bond counsel under this agreement is not the partisan role of an advocate. Instead, Orrick's role is to provide legal documents needed for the issuance, sale, and delivery of the 2015 Bonds and to provide an opinion that represents Orrick's objective judgment on the matters addressed therein.

- (b) In performing its services as bond counsel under this agreement, Orrick will act as special counsel to RASA with respect to issuance of the 2015 Bonds. In that capacity, Orrick shall assist RASA's staff in representing RASA, but only with respect to the sufficiency of the legal documents for the issuance, sale, and delivery of the 2015 Bonds and in a manner not inconsistent with the role of bond counsel described in section 6(a) above.
 - (c) Orrick's function and responsibility under this agreement, and as bond counsel with respect to the issuance of the 2015 Bonds, terminates upon the issuance, sale, and delivery of the 2015 Bonds (unless terminated sooner as provided in section 5 above). Orrick's services as bond counsel through issuance, sale, and delivery of the 2015 Bonds are limited to those contracted for explicitly in this agreement. Any engagement of Orrick with respect to rebate compliance, disclosure, or any other matter is separate and distinct from its engagement as bond counsel through issuance of the 2015 Bonds. Unless otherwise provided, any post-issuance engagement with respect to the 2015 Bonds will continue on the same basis set forth in this section 6.
7. *Conflicts.* Orrick regularly performs legal services for many private and public entities in connection with a wide variety of matters. For example, Orrick has represented, is representing, and expects to represent in the future other public entities such as the City of Sacramento, the County of Sacramento, the California Infrastructure and Economic Development Bank (as lender on certain loans expected to be refinanced by the 2015 Bonds), and the State of California; bond underwriters such as Morgan Stanley and Stiefel; trustees, rating agencies, insurers, banks, credit-enhancement providers, and lenders; contractors, suppliers, financial and other consultants and advisors, accountants, investment providers/brokers, and providers/brokers of derivative products; and others who may have a role or interest in the 2015 Bonds or who may be involved with, or adverse to, RASA in this or some other matter. Orrick shall not represent any such entity (i.e., other private and public entities) in connection with the 2015 Bonds without RASA's express written consent. Given the special, limited role of bond counsel described in section 6 above, RASA (a) acknowledges that no conflict of interest exists or would exist in connection with any matter other than the 2015 Bonds; (b) waives any such conflict of interest that might appear actually or potentially to exist, now or in the future, by virtue of this agreement or any such other attorney-client relationship Orrick may have had, may have, or may enter into; and (c) consents to all such relationships subject to the condition that a separate conflict-waiver letter will be prepared with respect to Orrick's concurrent representation of RASA and any other entity in connection with the issuance, sale, and delivery of the 2015 Bonds.

8. *No Third-Party Rights.* Nothing in this agreement or in any of the documents expressly or impliedly contemplated by this agreement gives any person or entity other than RASA and Orrick any legal or equitable right or claim under, or in respect of, this agreement. This agreement inures to the sole and exclusive benefit of RASA and Orrick.
9. *Assignment.* Orrick may not assign its obligations under this agreement without RASA's express written consent, except to a successor partnership or corporation to which all or substantially all of the assets and operations of Orrick are transferred. RASA may not assign its rights and obligations under this agreement without Orrick's express written consent. All references to Orrick and RASA in this agreement refer to their respective successors and assignees and will bind and inure to the benefit of their successors and assignees whether so expressed or not.
10. *Counterparts.* The parties may sign this agreement in counterparts, each of which will be considered an original, but all of which will constitute the same agreement.
11. *Notice.* To be effective, notices pertaining to this agreement must be sent by the U.S. Postal Service, first class, postage prepaid, addressed as follows:

If to RASA:

City of Sacramento
 915 "I" Street
 Historic City Hall, Third Floor
 Sacramento, CA 95814-2704
 Attention: City Treasurer

If to Orrick:

Orrick, Herrington & Sutcliffe LLP
 400 Capitol Mall, Suite 3000
 Sacramento, CA 95814
 Attention: Jenna Magan

and

City Attorney's Office
 915 "I" Street, Fourth Floor
 Sacramento, CA 95814
 Attention: Joseph Cerullo

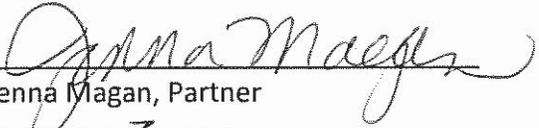
12. *Effective Date.* This agreement is effective on the date both parties have signed it, as indicated by the dates in the signature blocks below.

(Signature Page Follows)

Redevelopment Agency Successor Agency

Orrick, Herrington & Sutcliffe LLP

By: _____
James Sanchez, City Attorney
Date: June __, 2015

By: 
Jenna Magan, Partner
Date: June 3, 2015

Attest:
Sacramento City Clerk, acting on behalf of the
Redevelopment Agency Successor Agency

By: _____

Approved as to Form
Sacramento City Attorney, as legal counsel to
the Redevelopment Agency Successor Agency

By: _____
Joseph Cerullo
Senior Deputy City Attorney

PROGRAM CODE: 05616
PROJECT NAME: 2015 TAB Refunding
DEPARTMENT: City Treasurer's Office
DIVISION: Debt Management

REDEVELOPMENT AGENCY SUCCESSOR AGENCY

PROFESSIONAL SERVICES AGREEMENT *

THIS AGREEMENT is made at Sacramento, California, as of March 1, 2015, by and between the **REDEVELOPMENT AGENCY SUCCESSOR AGENCY** of the dissolved Redevelopment Agency of the City of Sacramento, a California public entity created by statute ("RASA"), and **FRASER & ASSOCIATES**, a California corporation ("CONTRACTOR"), who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this Agreement, CONTRACTOR shall provide to RASA the services described in Exhibit A. CONTRACTOR shall provide said services at the time, place, and in the manner specified in Exhibit A. CONTRACTOR shall not be compensated for services outside the scope of Exhibit A unless prior to the commencement of such services: (a) CONTRACTOR notifies RASA, and RASA agrees that such services are outside the scope of Exhibit A; (b) CONTRACTOR estimates the additional compensation required for these additional services; and (c) RASA, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor. RASA shall have no obligations whatsoever under this Agreement and/or any Supplemental Agreement, unless and until this Agreement or any Supplemental Agreement is approved by RASA's governing board or by RASA's authorized designee.
2. **Payment.** RASA shall pay CONTRACTOR for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B. The payments specified in Exhibit B shall be the only payments to be made to CONTRACTOR for the services rendered pursuant to this Agreement unless pursuant to Section 1, above, RASA approves additional compensation for additional services. CONTRACTOR shall submit all billings for said services to RASA in the manner specified in Exhibit B, or, if not specified in Exhibit B, according to the usual and customary procedures and practices that CONTRACTOR uses for billing clients similar to RASA.
3. **Facilities and Equipment.** Except as set forth in Exhibit C, CONTRACTOR shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing services pursuant to this Agreement. RASA shall furnish to CONTRACTOR only the facilities and equipment listed in Exhibit C according to any terms and conditions set forth in Exhibit C.

* This form to be used for all professional services, except professional services related to a construction project and professional services performed by architects, landscape architects, professional engineers, or professional land surveyors.

4. **General Provisions.** The General Provisions set forth in Exhibit D, that include indemnity and insurance requirements, are part of this Agreement. In the event of any conflict between the General Provisions and any terms or conditions of any document prepared or provided by CONTRACTOR and made a part of this Agreement, including without limitation any document relating to the scope of services or payment therefor, the General Provisions shall control over said terms or conditions.

5. **Non-Discrimination in Employee Benefits.** This Agreement is subject to the provisions of Sacramento City Code Chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. The requirements of Sacramento City Code Chapter 3.54 are summarized in Exhibit E. CONTRACTOR is required to sign the attached Declaration of Compliance (Equal Benefits Ordinance), to assure compliance with these requirements.

6. **Authority.** The person signing this Agreement for CONTRACTOR hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONTRACTOR and to bind CONTRACTOR to the performance of its obligations hereunder.

7. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

Executed as of the day and year first above stated.

REDEVELOPMENT AGENCY SUCCESSOR AGENCY

By: _____
 Russell T. Fehr, City Treasurer

ATTEST:

APPROVED TO AS FORM:

By: _____
 City Clerk

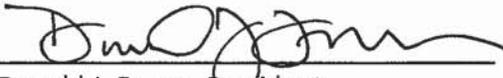
By: _____
 Senior Deputy City Attorney

Attachments

- Exhibit A - Scope of Service
- Exhibit B - Fee Schedule/Manner of Payment
- Exhibit C - Facilities/Equipment Provided
- Exhibit D - General Provisions
- Exhibit E - Non-Discrimination in Employee Benefits

(CONTRACTOR'S Signature Page Follows)

FRASER & ASSOCIATES

By: 
Donald J. Fraser, President

Federal I.D. Number: 94-3319002

State I.D. Number: 447-78330

City of Sacramento Business Op. Tax Cert. Number: 1021688

Type of Business Entity: Corporation

**DECLARATION OF COMPLIANCE
Equal Benefits Ordinance**

Name of Contractor: Fraser & Associates

Address: 225 Holmfirth Court, Roseville, California 95661

The above named Contractor ("Contractor") hereby declares and agrees as follows:

1. Contractor has read and understands the Requirements of the Non-Discrimination In Employee Benefits Code (the "Requirements") attached hereto as Exhibit E.
2. As a condition of receiving this Agreement, Contractor agrees to fully comply with the Requirements, as well as any additional requirements that may be specified in the City of Sacramento's Non-Discrimination In Employee Benefits Code codified at Chapter 3.54 of the Sacramento City Code (the "Ordinance").
3. Contractor understands, to the extent that such benefits are not preempted or prohibited by federal or state law, employee benefits covered by the Ordinance are any of the following:
 - a. Bereavement Leave
 - b. Disability, life, and other types of insurance
 - c. Family medical leave
 - d. Health benefits
 - e. Membership or membership discounts
 - f. Moving expenses
 - g. Pension and retirement benefits
 - h. Vacation
 - i. Travel benefits
 - j. Any other benefit offered to employees

Contractor agrees that if Contractor offers any of the above-listed employee benefits, Contractor will offer those benefits, without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouses and domestic partners of such employees.

4. Contractor understands that Contractor will not be considered to be discriminating in the provision or application of employee benefits under the following conditions or circumstances:
 - a. If the actual cost of providing a benefit to a domestic partner or spouse exceeds the cost of providing the same benefit to a spouse or domestic partner of an employee, Contractor will not be required to provide the benefit, nor shall it be deemed discriminatory, if Contractor requires the employee to pay the monetary difference in order to provide the benefit to the domestic partner or to the spouse.

- b. If Contractor is unable to provide a certain benefit, despite taking reasonable measures to do so, if Contractor provides the employee with a cash equivalent Contractor will not be deemed to be discriminating in the application of that benefit.
 - c. If Contractor provides employee benefits neither to employee's spouses nor to employee's domestic partners.
 - d. If Contractor provides employee benefits to employees on a basis unrelated to marital or domestic partner status.
 - e. If Contractor submits written evidence of making reasonable efforts to end discrimination in employee benefits by implementing policies that will be enacted before the first effective date after the first open enrollment process following the date this Agreement is executed by the Redevelopment Agency Successor Agency for the dissolved Redevelopment Agency of the City of Sacramento ("RASA"). Contractor understands that any delay in the implementation of such policies may not exceed one (1) year from the date this Agreement is executed by RASA, and applies only to those employee benefits for which an open enrollment process is applicable.
 - f. Until administrative steps can be taken to incorporate nondiscrimination in employee benefits. The time allotted for these administrative steps will apply only to those employee benefits for which administrative steps are necessary and may not exceed three (3) months from the date this Agreement is executed by RASA.
 - g. Until the expiration of a current collective bargaining agreement(s) if employee benefits are governed by such collective bargaining agreement(s).
 - h. Contractor takes all reasonable measures to end discrimination in employee benefits by either requesting that the union(s) involved agree to reopen the agreement(s) in order for Contractor to take whatever steps are necessary to end discrimination in employee benefits or by ending discrimination in employee benefits without reopening the collective bargaining agreement(s).
 - i. In the event Contractor cannot end discrimination in employee benefits despite taking all reasonable measures to do so, Contractor provides a cash equivalent to eligible employees for whom employee benefits are not available. Unless otherwise authorized in writing by RASA, Contractor understands this cash equivalent must begin at the time the union(s) refuse to allow the collective bargaining agreement(s) to be reopened or not longer than three (3) months after the date this Agreement is executed by RASA.
5. Contractor understands that failure to comply with the provisions of Section 4(a) through 4(i), above, will subject Contractor to possible suspension and/or termination of this Agreement for cause; repayment of any or all of the Agreement amount disbursed by RASA; debarment for

future agreements until all penalties and restitution have been paid in full and/or for up to two (2) years; and/or the imposition of a penalty, payable to RASA, in the sum of \$50.00 for each employee, for each calendar day during which the employee was discriminated against in violation of the provisions of the Ordinance.

6. Contractor understands and agrees to provide notice to each current employee and, within ten (10) days of hire, to each new employee, of their rights under the Ordinance. Contractor further agrees to maintain a copy of each such letter provided, in an appropriate file for inspection by authorized representatives of RASA. Contractor also agrees to prominently display a poster informing each employee of these rights.
7. Contractor understands that Contractor has the right to request a waiver of, or exemption from, the provisions of the Ordinance by submitting a written request to the City of Sacramento's Procurement Services Division (which provides procurement services to RASA) prior to Agreement award, which request shall identify the provision(s) of the Ordinance authorizing such waiver or exemption and the factual basis for such waiver or exemption. RASA shall determine in its sole discretion whether to approve any such request.
8. Contractor agrees to defend, indemnify and hold harmless RASA and its officers, employees, agents, and volunteers and the City of Sacramento and its officers, employees, agents, and volunteers against any claims, actions, damages, costs (including reasonable attorney fees), or other liabilities of any kind arising from any violation of the Requirements or of the Ordinance by Contractor.

The undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that he or she is authorized to bind the Contractor to the provisions of this Declaration.

FRASER & ASSOCIATES

By: 
Donald J. Fraser, President

Date: 3/11, 2015

EXHIBIT A

PROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES

1. Representatives.

The RASA Representative for this Agreement is:

Damien Charléty, Debt Analyst
City of Sacramento
915 I Street, HCH 3rd Floor
Sacramento, CA 95814
Phone: 916-808-5517
Fax: 916-808-5171

All CONTRACTOR questions pertaining to this Agreement shall be referred to the RASA Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

Donald J. Fraser, President
Fraser & Associates
225 Holmfirth Court
Roseville, CA 95661
Phone: 916-791-8958
Fax: 916-791-9234

All RASA questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the RASA shall be addressed to the RASA Representative.

2. Insurance. Insurance requirements are specified in Exhibit D, Section 11.

3. Conflict of Interest Requirements.

A. **Generally.** Under the California Political Reform Act, Government Code §§ 81000 et seq., designated employees of the RASA are required to comply with the RASA's Conflict of Interest Code. The term "designated employees" is a term of art and includes individuals who are working for contractors who are providing services or performing work for RASA and who are considered to be "consultants" under the Political Reform Act. The term "consultant" generally includes individuals who make, or participate in

making, governmental decisions or who serve in a staff capacity. Individuals who perform work that is solely clerical, ministerial, manual or secretarial are not "consultants."

RASA's Conflict of Interest Code requires designated employees, including individuals who qualify as "consultants", to file the following statements of economic interests:

- (1) An "assuming office" statement of economic interests to be filed within 30 days after execution of the agreement between RASA and the contractor;
- (2) Annual statements of economic interests while the agreement remains in effect, to be filed not later than April 30 of each year; and
- (3) A "leaving office" statement of economic interests to be filed within 30 days of completion of the contract.

The above statements of economic interests are public records subject to public disclosure under the California Public Records Act.

RASA's Conflict of Interest Code also requires individuals who qualify as "consultants" under the Political Reform Act to comply with the conflict of interest provisions of the Political Reform Act, which generally prohibit individuals from making or participating in the making of decisions that will have a material financial effect on their economic interests.

- B. **Conflict of Interest Statements.** The individual(s) who will provide services or perform work pursuant to this Agreement are "consultants" within the meaning of the Political Reform Act and RASA's Conflict of Interest Code: ___ yes no [check one]

If "yes" is checked above, CONTRACTOR shall cause the following to occur within 30 days after execution of this Agreement:

- (1) Identify the individuals who will provide services or perform work under this Agreement as "consultants";
- (2) Cause these individuals to file with the RASA Representative the "assuming office" statements of economic interests required by RASA's Conflict of Interest Code.

Thereafter, throughout the term of the Agreement, CONTRACTOR shall cause these individuals to file with the RASA Representative annual statements of economic interests, and "leaving office" statements of economic interests, as required by RASA's Conflict of Interest Code. RASA may withhold all or a portion of any payment due under this Agreement until all required statements are filed.

4. **Scope of Services.** Effective as of February 1, 2012, the California Legislature dissolved all redevelopment agencies in the state, including the Redevelopment Agency for the City of Sacramento (the "**Former Agency**"). In 2012, in accordance with the dissolution legislation, the Sacramento City Council elected to serve as the Former Agency's successor, to be known as the Redevelopment Agency Successor Agency, or RASA, a public entity separate from the City of Sacramento. RASA is considering the issuance of tax-allocation refunding bonds for nine of its Redevelopment Project Areas ("**Project Areas**"). In connection with those refunding bonds, CONTRACTOR shall provide an in-depth analysis of the tax-increment revenues to be generated from the Project Areas, as follows:
- (a) *Review of Historical Values and Revenues.* Review the growth in taxable values over the past five fiscal years and provide a table showing the trends. In addition, prepare an analysis of the actual tax-increment receipts to the initial Sacramento County levy in order to determine collection trends.
 - (b) *Current Year Revenue Estimate.* Prepare an estimate of the 2014-15 tax-increment revenues expected to be received in each Project Area. Estimate existing liens on tax increment in order to determine the amount of tax increment available for debt service. This estimate will include a projection of the impact of pass-through payments on the Project Areas.
 - (c) *Analysis of County Allocation Procedures.* Prepare a review of Sacramento County procedures used for the calculation of tax increment, including tax increment from the application of tax rates to incremental value and unitary property taxes, for the current-year revenue estimate. This analysis is to confirm the accuracy of the current-year revenue estimate.
 - (d) *Tax-Increment Projection.* Prepare a projection showing the tax-increment revenues estimated to be annually allocated to RASA for the Project Areas. The projections will include estimates of taxable value of developments identified by RASA as completed or under construction but not yet on the assessment rolls. An analysis of recently resolved and open appeals will be reflected in the tax-increment projection. The tax-increment projections will also include an analysis of the senior liens on revenue available for debt service, including pass-through payments.
 - (e) *Housing Market Impact Analysis.* Volatility in the housing market has caused rating agencies to require additional information concerning housing prices and property transfers. Analyze the impact the housing-price declines have had on the Project Areas, along with more-recent data showing the recovery from Proposition 8 reductions. Review recent sales data to determine whether housing-price declines and Proposition 8 reductions have leveled off and are increasing.
 - (f) *Plan-Limits Review.* Review each Project Area's plan limits to determine any potential impact on the refunding bonds and on the tax-increment revenue stream.

- (g) *Impacts of Redevelopment Dissolution Act.* Review the impact of the dissolution legislation (AB 26 and AB 1484) on the flow of revenues to RASA.
- (h) *Fiscal Consultant's Report.* Prepare a Fiscal Consultant's Report summarizing the analysis of historical, current, and projected tax-increment revenues. The report will include CONSULTANT's methodology in preparing the tax-increment study. RASA may use the report as an appendix to the Official Statement (both preliminary and final) for refunding bonds.
- (i) *Official Statement Tables.* Provide tables on the revenues in the Project Areas based on the data used and generated in accordance with Sections 4(a) through 4(h) above. RASA may include these tables in the Official Statement (both preliminary and final) for refunding bonds.
- (j) *Document Review.* Review and comment on other documents related to the refunding bonds, e.g., the Official Statement, the Indenture.
- (k) *Presentations and Meetings.* As requested, represent RASA in meetings and presentations related to the refunding bonds.

5. **Time of Performance.** CONTRACTOR shall complete the services described in Section 4 of this Exhibit A in a timely manner and in accordance with RASA's direction.

EXHIBIT B

PROFESSIONAL SERVICES AGREEMENT

FEE SCHEDULE/MANNER OF PAYMENT

1. **CONTRACTOR's Compensation.** RASA shall pay CONTRACTOR as follows for the performance of all services described in Section 4 of Exhibit A:

- (a) For the services described in Sections 4(a) through 4(h) of Exhibit A, a fixed fee of \$30,000, which does not include out-of-pocket expenses (see Section 1(c) below).
- (b) For the services described in Sections 4(i) through 4(k) of Exhibit A, compensation on a time-and-materials basis at the following hourly rates, with the total compensation for Sections 4(i) through 4(k) not to exceed \$5,000:

President:	\$250
Associate:	\$140
Secretarial:	\$60
Administrative:	\$60

- (c) Reimbursement of out-of-pocket expenses that are necessary for the proper completion of the services described in Section 4 of Exhibit A, with the total reimbursement not to exceed \$5,000.
- (d) The total of the compensation paid under Sections 1(a) and 1(b) and the out-of-pocket expenses reimbursed under Section 1(c) may not exceed \$40,000.
- (e) RASA may pay CONTRACTOR's compensation under this Section 1 from the cost-of-issuance fund related to the refunding bonds, but payment of compensation is not contingent upon a successful closing of the refunding-bond sale.

2. **Payments to CONTRACTOR.**

- A. Payments to CONTRACTOR shall be made within a reasonable time after receipt of CONTRACTOR's invoice. CONTRACTOR may request payment on a monthly basis. CONTRACTOR shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of RASA.
- B. All invoices submitted by CONTRACTOR shall contain the following information:
 - (1) Job Name
 - (2) Description of services billed under this invoice, and overall status of project
 - (3) Date of Invoice Issuance

- (4) Sequential Invoice Number
- (5) RASAY's Purchase Order Number
- (6) Total Contract Amount
- (7) Amount of this Invoice (Itemize all Reimbursable Expenses)
- (8) Total Billed to Date
- (9) Total Remaining on Contract
- (10) Updated project schedule. This shall identify those steps that shall be taken to bring the project back on schedule if it is behind schedule.

C. Items shall be separated into Services and Reimbursable Expenses. Billings that do not conform to the format outlined above shall be returned to CONTRACTOR for correction. RASA shall not be responsible for delays in payment to CONTRACTOR resulting from CONTRACTOR's failure to comply with the invoice format described below.

D. Requests for payment shall be sent to:

City Treasurer's Office
Debt Management Division
915 I Street, HCH 3rd Floor
Sacramento, CA 95814

Attn: Damien Charléty

- 3. **Additional Services.** Additional Services are those services related to the scope of services of CONTRACTOR set forth in Exhibit A but not anticipated at the time of execution of this Agreement. Additional Services shall be provided only when a Supplemental Agreement authorizing such Additional Services is approved by RASA in accordance with RASA's Supplemental Agreement procedures. RASA reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform said Additional Services.
- 4. **Accounting Records of CONTRACTOR.** During performance of this Agreement and for a period of three (3) years after completing all Services and Additional Services hereunder, CONTRACTOR shall maintain all accounting and financial records related to this Agreement, including, but not limited to, records of CONTRACTOR's costs for all Services and Additional Services performed under this Agreement and records of CONTRACTOR's Reimbursable Expenses, in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the RASA upon reasonable written notice.
- 5. **Taxes.** CONTRACTOR shall pay, when and as due, any and all taxes incurred as a result of CONTRACTOR's compensation hereunder, including estimated taxes, and shall provide RASA with proof of such payment upon request. CONTRACTOR hereby agrees to indemnify RASA and the City of Sacramento for any claims, losses, costs, fees, liabilities, damages or injuries suffered by RASA or the City of Sacramento arising out of CONTRACTOR's breach of this Section 5.

EXHIBIT C

NONPROFESSIONAL SERVICES AGREEMENT

FACILITIES AND EQUIPMENT TO BE PROVIDED BY RASA

RASA shall [*check one*]

- Not furnish any facilities or equipment for this Agreement; or
- furnish the following facilities or equipment for the Agreement [*list, if applicable*]:

EXHIBIT D

PROFESSIONAL SERVICES AGREEMENT

GENERAL PROVISIONS

1. Independent Contractor.

- A. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither CONTRACTOR nor CONTRACTOR's assigned personnel shall be entitled to any benefits payable to employees of RASA. RASA is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of this Agreement, and CONTRACTOR shall be issued a Form 1099 for its services hereunder. As an independent contractor, CONTRACTOR hereby agrees to indemnify and hold RASA and the City of Sacramento harmless from any and all claims that may be made against RASA or the City of Sacramento based upon any contention by any of CONTRACTOR's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any Services under this Agreement. (As used in this Exhibit D, the term "Services" shall include both Services and Additional Services as such terms are defined elsewhere in this Agreement.)
- B. It is further understood and agreed by the parties hereto that CONTRACTOR, in the performance of its obligations hereunder, is subject to the control and direction of RASA as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by CONTRACTOR for accomplishing such results. To the extent that CONTRACTOR obtains permission to use, and does use, facilities, space, equipment or support services of RASA or the City of Sacramento in the performance of this Agreement, this use shall be at the CONTRACTOR's sole discretion based on the CONTRACTOR's determination that such use will promote CONTRACTOR's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, RASA does not require that CONTRACTOR use RASA's or the City of Sacramento's facilities, equipment or support services or work in RASA or City of Sacramento locations in the performance of this Agreement.
- C. If, in the performance of this Agreement, any third persons are employed by CONTRACTOR, such persons shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONTRACTOR. It is further understood and

agreed that CONTRACTOR shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of CONTRACTOR's assigned personnel and subcontractors.

D. The provisions of this Section 1 shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to create an exclusive relationship between RASA and CONTRACTOR. CONTRACTOR may represent, perform services for, or be employed by such additional persons or companies as CONTRACTOR sees fit provided that CONTRACTOR does not violate the provisions of Section 5, below.

2. **Licenses; Permits, Etc.** CONTRACTOR represents and warrants that CONTRACTOR has all licenses, permits, City Business Operations Tax Certificate, qualifications, and approvals of whatsoever nature that are legally required for CONTRACTOR to practice its profession or provide any services under the Agreement. CONTRACTOR represents and warrants that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for CONTRACTOR to practice its profession or provide such Services. Without limiting the generality of the foregoing, if CONTRACTOR is an out-of-state corporation, CONTRACTOR warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.
3. **Time.** CONTRACTOR shall devote such time and effort to the performance of Services pursuant to this Agreement as is necessary for the satisfactory and timely performance of CONTRACTOR's obligations under this Agreement. Neither party shall be considered in default of this Agreement, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **CONTRACTOR Not Agent.** Except as RASA may specify in writing, CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to act on behalf of RASA in any capacity whatsoever as an agent. CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to bind RASA to any obligations whatsoever.
5. **Conflicts of Interest.** CONTRACTOR covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of RASA or that would in any way hinder CONTRACTOR's performance of Services under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of RASA. CONTRACTOR agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of RASA at all times during the performance of this Agreement. If CONTRACTOR is or employs a former officer or employee of the RASA, CONTRACTOR and any such employee(s) shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the Sacramento City Council or any department, board, commission or committee of the City of Sacramento.

6. **Confidentiality of RASA Information.** During performance of this Agreement, CONTRACTOR may gain access to and use RASA information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "RASA Information") that are valuable, special and unique assets of RASA. CONTRACTOR agrees to protect all RASA Information and treat it as strictly confidential, and further agrees that CONTRACTOR shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any RASA Information to any third party without the prior written consent of RASA. In addition, CONTRACTOR shall comply with all RASA policies governing the use of the City of Sacramento's network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by CONTRACTOR of this Section 6 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

7. **CONTRACTOR Information.**

- A. RASA shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement. In this Agreement, the term "information" shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostating, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. CONTRACTOR shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by RASA.
- B. CONTRACTOR shall fully defend, indemnify and hold harmless RASA and its officers, employees, agents, and volunteers and the City of Sacramento and its officers, employees, agents, and volunteers, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. RASA shall make reasonable efforts to notify CONTRACTOR not later than ten (10) days after RASA or the City of Sacramento is served with any such claim, action, lawsuit or other proceeding, provided that RASA's failure to provide such notice within such time period shall not relieve CONTRACTOR of its obligations hereunder, which shall survive any termination or expiration of this Agreement.
- C. All proprietary and other information received from CONTRACTOR by RASA, whether received in connection with CONTRACTOR's proposal to RASA or in connection with any Services performed by CONTRACTOR, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to RASA,

RASA shall give notice to CONTRACTOR of any request for the disclosure of such information. The CONTRACTOR shall then have five (5) days from the date it receives such notice to enter into an agreement with the RASA, satisfactory to the Office of the Sacramento City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by RASA in any legal action to compel the disclosure of such information under the California Public Records Act. The CONTRACTOR shall have sole responsibility for defense of the actual "trade secret" designation of such information.

D. The parties understand and agree that any failure by CONTRACTOR to respond to the notice provided by RASA and/or to enter into an agreement with RASA, in accordance with the provisions of subsection C, above, shall constitute a complete waiver by CONTRACTOR of any rights regarding the information designated "trade secret" by CONTRACTOR, and such information shall be disclosed by RASA pursuant to applicable procedures required by the Public Records Act.

8. **Standard of Performance.** CONTRACTOR shall perform all Services required pursuant to this Agreement in the manner and according to the standards currently observed by a competent practitioner of CONTRACTOR's profession in California. All products of whatsoever nature that CONTRACTOR delivers to RASA pursuant to this Agreement shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in CONTRACTOR's profession, and shall be provided in accordance with any schedule of performance specified in Exhibit A. CONTRACTOR shall assign only competent personnel to perform Services pursuant to this Agreement. CONTRACTOR shall notify RASA in writing of any changes in CONTRACTOR's staff assigned to perform the Services required under this Agreement, prior to any such performance. In the event that RASA, at any time during the term of this Agreement, desires the removal of any person assigned by CONTRACTOR to perform Services pursuant to this Agreement, because RASA, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, CONTRACTOR shall remove such person immediately upon receiving notice from RASA of the desire of RASA for the removal of such person.

9. **Term; Suspension; Termination.**

A. This Agreement shall become effective on the date that it is approved by both parties, set forth on the first page of the Agreement, and shall continue in effect until both parties have fully performed their respective obligations under this Agreement, unless sooner terminated as provided herein.

B. RASA shall have the right at any time to temporarily suspend CONTRACTOR's performance hereunder, in whole or in part, by giving a written notice of suspension to CONTRACTOR. If RASA gives such notice of suspension, CONTRACTOR shall immediately suspend its activities under this Agreement, as specified in such notice.

C. RASA shall have the right to terminate this Agreement at any time by giving a written notice of termination to CONTRACTOR. If RASA gives such notice of termination, CONTRACTOR shall immediately cease rendering Services pursuant to this Agreement. If RASA terminates this Agreement:

(1) CONTRACTOR shall, not later than five days after such notice of termination, deliver to RASA copies of all information prepared pursuant to this Agreement.

(2) RASA shall pay CONTRACTOR the reasonable value of Services rendered by CONTRACTOR prior to termination; provided, however, RASA shall not in any manner be liable for lost profits that might have been made by CONTRACTOR had the Agreement not been terminated or had CONTRACTOR completed the Services required by this Agreement. In this regard, CONTRACTOR shall furnish to RASA such financial information as in the judgment of the RASA is necessary for RASA to determine the reasonable value of the Services rendered by CONTRACTOR. The foregoing is cumulative and does not affect any right or remedy that RASA may have in law or equity.

10. Indemnity.

A. Indemnity: CONTRACTOR shall defend, hold harmless and indemnify RASA and its officers, employees, agents, and volunteers, and the City of Sacramento and its officers, employees, agents, and volunteers, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by the Office of the Sacramento City Attorney (which provides legal services to RASA) or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Agreement by CONTRACTOR, any sub-consultant, subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for any damage or expense for death or bodily injury to persons or damage to property to the extent arising from the sole negligence or willful misconduct of RASA or its agents, servants, or independent contractors who are directly responsible to RASA, or of the City of Sacramento or its agents, servants, or independent contractors who are directly responsible to the City, except when such agents, servants, or independent contractors are under the direct supervision and control of CONTRACTOR.

B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by RASA of any of the insurance policies or coverages described in this Agreement shall not affect or

limit any of RASA's or the City of Sacramento's rights under this Section 10, nor shall the limits of such insurance limit the liability of CONTRACTOR hereunder. This Section 10 shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 7.B., above. The provisions of this Section 10 shall survive any expiration or termination of this Agreement.

- 11. Insurance Requirements.** During the entire term of this Agreement, CONTRACTOR shall maintain the insurance coverage described in this Section 11.

Full compensation for all premiums that CONTRACTOR is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Services provided by CONTRACTOR under this Agreement. No additional compensation will be provided for CONTRACTOR's insurance premiums. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the RASA.

It is understood and agreed by the CONTRACTOR that its liability to RASA shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the CONTRACTOR in connection with this Agreement.

A. Minimum Scope & Limits of Insurance Coverage

- (1) Commercial General Liability Insurance providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage, and personal injury, arising out of activities performed by or on behalf of CONTRACTOR, its sub-consultants, and subcontractors, products and completed operations of CONTRACTOR, its sub-consultants, and subcontractors, and premises owned, leased, or used by CONTRACTOR, its sub-consultants, and subcontractors, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 for bodily injury, including death, of one or more persons, property damage, and personal injury, with limits of not less than one million dollars (\$1,000,000) per accident. The policy shall provide coverage for owned, non-owned, and/or hired autos as appropriate to the operations of the CONTRACTOR.

No automobile liability insurance shall be required if CONTRACTOR completes the following certification:

"I certify that a motor vehicle will not be used in the performance of any work or services under this agreement." _____ (CONTRACTOR initials)

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Except for professional liability, CONTRACTOR's insurance coverage, including excess insurance, shall be primary insurance as respects RASA, its officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by RASA, its officials, employees, agents, or volunteers shall be in excess of CONTRACTOR's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to RASA, its officials, employees, agents, or volunteers.
- (3) Coverage shall state that CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) RASA will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:VI. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the RASA in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) CONTRACTOR shall furnish RASA with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the RASA representative named in Exhibit A. Copies of policies shall be delivered to the RASA on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) For all insurance policy renewals during the term of this Agreement, CONTRACTOR shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento

c/o Ebix RCS

Reference #: (This number will be provided by EBIX after Agreement approval.)

PO Box 257

Portland, MI 48875-0257

Insurance certificates also may be faxed to (770) 325-3340, or e-mailed to:
CertsOnly-Portland@ebix.com

- (3) RASA may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided prior to execution of this Agreement. RASA may withhold payments to CONTRACTOR or cancel the Agreement if the insurance is canceled or CONTRACTOR otherwise ceases to be insured as required herein.

F. Subcontractors

CONTRACTOR shall require and verify that all sub-consultants and subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

12. Equal Employment Opportunity. During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: CONTRACTOR shall comply with the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations".
- B. Nondiscrimination: CONTRACTOR, with regards to the work performed by it after award and prior to completion of the work pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by CONTRACTOR for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by CONTRACTOR of CONTRACTOR's obligation under this Agreement and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: CONTRACTOR shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by RASA to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish

this information, CONTRACTOR shall so certify to RASA, and shall set forth what efforts it has made to obtain the information.

E. Sanctions for Noncompliance: In the event of noncompliance by CONTRACTOR with the nondiscrimination provisions of this Agreement, RASA shall impose such sanctions as it may determine to be appropriate including, but not limited to:

(1) Withholding of payments to CONTRACTOR under this Agreement until CONTRACTOR complies;

(2) Cancellation, termination, or suspension of the Agreement, in whole or in part.

F. Incorporation of Provisions: CONTRACTOR shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. CONTRACTOR shall take such action with respect to any subcontract or procurement as RASA may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, CONTRACTOR may request RASA to enter such litigation to protect the interests of RASA.

13. **Entire Agreement.** This document, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by CONTRACTOR, and by RASA, in accordance with applicable provisions of the Sacramento City Code.

14. **Severability.** If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

15. **Waiver.** Neither RASA acceptance of, or payment for, any Service or Additional Service performed by CONTRACTOR, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

16. **Enforcement of Agreement.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

17. **Assignment Prohibited.** The expertise and experience of CONTRACTOR are material considerations for this Agreement. RASA has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on CONTRACTOR under this Agreement. In recognition of this interest, CONTRACTOR shall not assign any right or obligation pursuant to this Agreement without the written consent of RASA. Any attempted or purported assignment without RASA's written consent shall be void and of no effect.
18. **Binding Effect.** This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 17, above.
19. **Use Tax Requirements.** During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:
- A. Use Tax Direct Payment Permit: For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Agreement and shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.
 - B. Sellers Permit: For any construction contract and any construction subcontract in the amount of \$5,000,000 or more, Contractor and the subcontractor(s) shall obtain sellers permits from the SBE and shall register the jobsite as the place of business for the purpose of allocating local sales and use tax to RASA. Contractor and its subcontractors shall remit the self-accrued use tax to the SBE, and shall provide a copy of each remittance to RASA.
 - C. The above provisions shall apply in all instances unless prohibited by the funding source for the Agreement.
19. **Third-Party Beneficiaries.** The City of Sacramento and its officers, employees, agents, and volunteers are third-party beneficiaries of this Agreement.

EXHIBIT E

REQUIREMENTS OF THE NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

INTRODUCTION

The Sacramento Non-Discrimination In Employee Benefits Code (the "Ordinance"), codified as Sacramento City Code Chapter 3.54, prohibits City contractors from discriminating in the provision of employee benefits between employees with spouses and employees with domestic partners, and between the spouses and domestic partners of employees.

APPLICATION

The provisions of the Ordinance apply to any contract or agreement (as defined below), between a Contractor and the City of Sacramento, in an amount exceeding \$100,000.00. The Ordinance applies to that portion of a contractor's operations that occur: (i) within the City of Sacramento; (ii) on real property outside the City of Sacramento if the property is owned by the City or if the City has a right to occupy the property; or (iii) at any location where a significant amount of work related to a City contract is being performed.

The Ordinance does not apply: to subcontractors or subcontracts of any Contractor or contractors; to transactions entered into pursuant to cooperative purchasing agreements approved by the Sacramento City Council; to legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City; where the requirements of the ordinance will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of any such agency with respect to any such grant, subvention or agreement; to permits for excavation or street construction; or to agreements for the use of City right-of-way where a contracting utility has the power of eminent domain.

DEFINITIONS

As set forth in the Ordinance, the following definitions apply:

"Contract" means an agreement for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided, at the expense of the City or to be paid out of moneys deposited in the treasury or out of the trust money under the control or collected by the City. "Contract" also means a written agreement for the exclusive use ("exclusive use" means the right to use or occupy real property to the exclusion of others, other than the right reserved by the fee owner) or occupancy of real property for a term exceeding 29 days in any calendar year, whether by singular or cumulative instrument, (i) for the operation or use by others of real property owned or controlled by the City for the operation of a business, social, or other establishment or organization, including leases, concessions, franchises and easements, or (ii) for the City's use or occupancy of real property owned by others, including leases, concessions, franchises and easements.

"Contract" shall not include: a revocable at-will use or encroachment permit for the use of or encroachment on City property regardless of the ultimate duration of such permit; excavation,

street construction or street use permits; agreements for the use of City right-of-way where a contracting utility has the power of eminent domain; or agreements governing the use of City property that constitute a public forum for activities that are primarily for the purpose of espousing or advocating causes or ideas and that are generally protected by the First Amendment to the United States Constitution or that are primarily recreational in nature.

“Contractor” means any person or persons, firm partnership or corporation, company, or combination thereof, that enters into a Contract with the City. “Contractor” does not include a public entity.

“Domestic Partner” means any person who has a currently registered domestic partnership with a governmental entity pursuant to state or local law authorizing the registration.

“Employee Benefits” means bereavement leave; disability, life, and other types of insurance; family medical leave; health benefits; membership or membership discounts; moving expenses; pension and retirement benefits; vacation; travel benefits; and any other benefit given to employees. “Employee benefits” shall not include benefits to the extent that the application of the requirements of this chapter to such benefits may be preempted by federal or state.

CONTRACTOR’S OBLIGATION TO PROVIDE THE CITY WITH DOCUMENTATION AND INFORMATION

Contractor shall provide the City with documentation and information verifying its compliance with the requirements of the Ordinance within ten (10) days of receipt of a request from the City. Contractors shall keep accurate payroll records, showing, for each City Contract, the employee’s name, address, Social Security number, work classification, straight time pay rate, overtime pay rate, overtime hours worked, status and exemptions, and benefits for each day and pay period that the employee works on the City Contract. Each request for payroll records shall be accompanied by an affidavit to be completed and returned by the Contractor, as stated, attesting that the information contained in the payroll records is true and correct, and that the Contractor has complied with the requirements of the Ordinance. A violation of the Ordinance or noncompliance with the requirements of the Ordinance shall constitute a breach of contract.

EMPLOYER COMPLIANCE CERTIFICATE AND NOTICE REQUIREMENTS

(a) All contractors seeking a Contract subject to the Ordinance shall submit a completed Declaration of Compliance Form, signed by an authorized representative, with each proposal, bid or application. The Declaration of Compliance shall be made a part of the executed contract, and will be made available for public inspection and copying during regular business hours.

(b) The Contractor shall give each existing employee working directing on a City contract, and (at the time of hire), each new employee, a copy of the notification provided as Attachment “A.”

(c) Contractor shall post, in a place visible to all employees, a copy of the notice provided as Attachment “B.”

Attachment A



YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

On (date), your employer (the "Employer") entered into a contract with the City of Sacramento (the "City") for (contract details), and as a condition of that contract, agreed to abide by the requirements of the City's Non-Discrimination In Employee Benefits Code (Sacramento City Code Section 3.54).

The Ordinance does not require the Employer to provide employee benefits. The Ordinance does require that if certain employee benefits are provided by the Employer, that those benefits be provided without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouse or domestic partner of employees.

The Ordinance covers any employee working on the specific contract referenced above, but only for the period of time while those employees are actually working on this specific contract.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

(Employee Benefits does not include benefits that may be preempted by federal or state law.)

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, or in the application of these employee benefits, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of the Ordinance, and after having exhausted all remedies with your employer,

You May . . .

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento
Procurement Services Division
915 I Street, Second Floor
Sacramento, CA 95814

- Bring an action in the appropriate division of the Superior Court of the State of California against the Employer and obtain the following remedies:
 - Reinstatement, injunctive relief, compensatory damages and punitive damages
 - Reasonable attorney's fees and costs

Attachment B



YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

If your employer provides employee benefits, they must be provided to those employees working on a City of Sacramento contract without discriminating between employees with spouses and employees with domestic partners.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

If you feel you have been discriminated against by your employer . . .

You May . . .

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:
City of Sacramento
Procurement Services Division
915 I Street, Second Floor
Sacramento, CA 95814
- Bring an action in the appropriate division of the Superior Court of the State of California against the employer and obtain reinstatement, injunctive relief, compensatory damages, punitive damages and reasonable attorney's fees and costs.

Discrimination and Retaliation Prohibited.

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of this Ordinance . . .

You May Also . . .

Submit a written complaint to the City of Sacramento, Contract Services Unit, at the same address, containing the details of the alleged violation.

DISCLOSURE COUNSEL AGREEMENT

Redevelopment Agency Successor Agency of the City of Sacramento Tax Allocation Refunding Bonds, Series 2015A (Tax Exempt) and Series 2015B (Taxable)

This Disclosure-Counsel Agreement, dated June 9, 2015, for reference only, is between the REDEVELOPMENT AGENCY SUCCESSOR AGENCY of the dissolved Redevelopment Agency of the City of Sacramento, a California public entity created by statute (“**RASA**”); and STRADLING YOCCA CARLSON & RAUTH, a California professional corporation (“**SYCR**”).

Background

RASA desires to engage the services of SYCR as disclosure counsel in connection with RASA’s authorization, issuance, sale, and delivery of one or more series of Redevelopment Agency Successor Agency of the City of Sacramento Tax Allocation Refunding Bonds, to be issued for the purpose of refinancing certain obligations of RASA (the “**2015 Bonds**”).

RASA and SYCR desire to enter into this agreement to evidence the engagement of SYCR as disclosure counsel and to specify the terms of the engagement. SYCR has the necessary professional capabilities and resources to provide the legal services required by RASA as described in this agreement.

With these background facts in mind, the parties agree as follows:

1. **Scope of Services.** RASA hereby retains SYCR to provide, and SYCR shall provide, the following legal services in connection with the 2015 Bonds.
 - (a) Preparing one or more preliminary official statements and final official statements for the 2015 Bonds (collectively, the “**Official Statements**”). In connection with the preparation of the Official Statements, SYCR’s services will also include the following:
 - (1) researching applicable laws and ordinances relating to the 2015 Bonds;
 - (2) attending conferences and consulting with RASA staff, bond counsel, and representatives of the Sacramento City Attorney’s Office, which serves as legal counsel to RASA (the “**City Attorney**”);
 - (3) providing disclosure training to RASA staff involved in the financing, describing the obligations of RASA under federal securities laws;
 - (4) participating in meetings, conferences, and discussions with any financial advisors, underwriters, tax consultants, and other experts RASA retains with respect to the 2015 Bonds (the “**RASA Consultants**”);
 - (5) reviewing resolutions, notices, rules, and regulations and other legal documents required for the 2015 Bonds, and all other documents relating to the security of the

2015 Bonds, in consultation with RASA, the City Attorney, bond counsel, and the RASA Consultants; and

- (6) rendering to RASA and the underwriters of the 2015 Bonds, in customary form, one or more Rule 10b-5 letters regarding the Official Statements.
 - (b) Preparing one or more continuing-disclosure certificates of RASA to comply with Rule 15c2-12 in connection with the issuance, sale, and delivery of the 2015 Bonds.
2. **Compensation.** RASA shall pay SYCR the amounts set forth in this section 2 as full compensation for all services SYCR renders under this agreement and as full reimbursement of all out-of-pocket expenses SYCR incurs under this agreement. RASA's obligation to pay the amounts set forth in this section 2 is contingent on the successful closing of the 2015 Bonds (the "**Closing**"), with payment to come exclusively from the proceeds of the 2015 Bonds at the Closing.
 - (a) For the services SYCR renders under this agreement, RASA shall pay SYCR at an hourly rate of \$450 for shareholders and an hourly rate ranging from \$275 to \$325 for associates (depending on seniority).
 - (b) RASA shall reimburse SYCR for any out-of-pocket expenses SYCR reasonably incurs while rendering services under this agreement, including but not limited to document-reproduction costs, telecommunications charges, printing costs, filing fees, fees for messenger services, fees for overnight-delivery services, and travel expenses.
 - (c) If, for any reason, the Closing does not occur, then RASA will not be obligated to pay SYCR for services rendered under this agreement or for out-of-pocket expenses SYCR incurs under this agreement.
 - (d) On July 1, 2015, and on each October 1, January 1, April 1, and July 1 thereafter until the Closing or until this agreement terminates under section 4, SYCR shall provide RASA with a summary of the total legal fees and out-of-pocket expenses accrued up to the date of the summary for services rendered under this agreement.
3. **Personnel and Contract Administration.** SYCR shall provide services under this agreement primarily through Kevin Civale, Brian Forbath, and Lawrence Chan. If Mr. Civale, Mr. Forbath, or Mr. Chan is unable to provide the services because of death, disability, or other similar event, then, with RASA's approval, SYCR may substitute another of its attorneys to provide the services, and the substitution will not affect in any way SYCR's or RASA's other obligations under this agreement. The City Attorney will administer this agreement for RASA.
4. **Termination**
 - (a) Either party may terminate this agreement with or without cause by giving written notice to the other party. The notice must state the termination date, which must be at least three business days after the date the notice is delivered.

- (b) Unless terminated sooner under section 4(a), this agreement terminates on the date of the Closing.

5. Miscellaneous

- (a) In performing under this agreement, SYCR and its shareholders and employees will be acting in an independent capacity and not as officers or agents of RASA.
- (b) SYCR may not assign this agreement or any part of it without RASA's written consent, which RASA may withhold for any reason.
- (c) This agreement is for the benefit of RASA and SYCR. It is not intended to benefit any third parties.
- (d) This agreement is effective on the date both parties have signed it, as indicated by the dates in the signature blocks below.
- (e) This agreement sets forth the parties' entire understanding regarding the matters set forth above and is intended to be their final, complete, and exclusive expression of those matters. It may be modified only by another written agreement signed by both parties.
- (f) The parties may execute this agreement in counterparts, each of which will be considered an original, but all of which will constitute the same agreement. Delivery of signed counterparts may be accomplished email transmission of a pdf document.

(Signature Page Follows)

Redevelopment Agency Successor Agency

Stradling Yocca Carlson & Rauth

By: _____

James Sanchez, City Attorney

Date: June ____, 2015

By:  _____

Kevin M. Civale, Shareholder

Date: June 8, 2015

Attest

Sacramento City Clerk, acting on behalf of the
Redevelopment Agency Successor Agency

By: _____

Approved as to Form
Sacramento City Attorney, as legal counsel to
the Redevelopment Agency Successor Agency

By: _____

Joseph Cerullo
Senior Deputy City Attorney