

AGREEMENT FOR PROFESSIONAL SERVICES

WILLOWS UNIFIED SCHOOL DISTRICT

This Agreement is made and entered into on ~~July~~ ^{AUGUST} 4, 2016 by and between Willows Unified School District, hereinafter referred to as "District," and Dannis Woliver Kelley, a professional corporation, hereinafter referred to as "Attorney."

WHEREAS, District desires to retain Attorney to provide legal services associated with considering and calling a bond election in 2016 and the issuance and sale of general obligation bonds thereafter.

In consideration of the promises and the mutual agreements hereinafter contained, District and Attorney agree as follows:

A. SCOPE OF WORK AND PAYMENT

District appoints Attorney to represent, advise, and counsel it from July 18, 2016, and continuing thereafter in connection with the District's potential 2016 general obligation bond election and bond issuance ("Bond Services") as more specifically described in **Attachment A** hereto, and incorporated herein by reference. Attorney may represent District in other legal matters and provide other services as desired pursuant to a separate Professional Services Agreement. Bond Services shall be compensated in the manner described in **Attachment A**.

The performance of Bond Services rendered prior to the date of this Agreement is hereby ratified and approved.

B. TERM AND TERMINATION

1. Term. The term of this Agreement shall commence as of its date of execution and shall expire on the earlier of: the final sale of bonds ("Bonds") from the 2016 authorization or five years after commencement of the Agreement. If at the time of expiration there remains additional general obligation bond issuance authority, this Agreement may be renewed for additional terms, subject to District's termination rights described below.

2. Termination or Abandonment of Financing. If for any reason a Bond issuance is permanently abandoned or terminated prior to the issuance of the Bonds, then District shall compensate DWK for services performed up to the date of the abandonment or termination of the proposed financing at the rate of \$255 per hour for attorneys and \$120 per hour for paralegals, plus DWK's out-of-pocket expenses.

3. Termination of Attorney. District may terminate DWK without cause upon 30 days' written notice to Attorney; provided, however, that if District terminates these services after Attorney has rendered Bond Services, then District shall pay Attorney for services rendered, at the rate of \$300 per hour for attorneys and \$125 per hour for paralegals, plus DWK's out-of-pocket expenses.

C. OTHER PROVISIONS

1. Malpractice Coverage. Attorney agrees to prepare periodic reviews of relevant court decisions, legislation, and other legal issues. Attorney agrees to keep current and in force at all times a policy covering incidents of legal malpractice.

2. Performance of Obligations. District shall be truthful with Attorney, cooperate with Attorney, keep Attorney informed of developments, perform the obligations it has agreed to perform under this Agreement.

3. Food/Meals. Occasionally Attorney may provide District officials and/or employees with working lunches or meals when working with District officials and/or employees. Attorney may provide such food or meals without additional charge in exchange for the consideration provided by the District under this Agreement.

4. Independent Contractor. It is expressly understood and agreed to by both parties that Attorney, while carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and is not an employee of the District.

5. Use of Subconsultants/SubContractors. Attorney uses the services of legal sub-consultants and independent contractors from time to time on finance transactions, including federal taxation specialists, which costs are paid in full by Attorney without additional expense to District. District consents to the use of such sub-consultants or independent contractors at Attorney's discretion.

6. Conflicts of Interest. Because Attorney represents many school and community college districts, county offices of education, joint powers authorities, SELPAs, other educational entities, and bond underwriters on an occasional basis, conflicts of interest may arise in the course of Attorney's representation. If Attorney becomes aware of any potential or actual conflicts of interest, Attorney will inform the District of the conflict and comply with the legal and ethical requirements to fulfill its duties of loyalty and confidentiality to District. If District has any question about whether Attorney has a conflict of interest in its representation of District in any matter, it may contact Attorney or other legal counsel for clarification.


IN WITNESS WHEREOF, the parties hereto have signed this Agreement for Professional Services.

WILLOWS UNIFIED SCHOOL DISTRICT

Mort Geivett, Ed.D.
Superintendent


Date

DANNIS WOLIVER KELLEY


Janet L. Mueller
Attorney at Law

7/20/16
Date

DANNIS WOLIVER KELLEY


Meredith B. Johnson
Attorney at Law

7/20/16
Date

ATTACHMENT "A" – SCOPE OF WORK AND FEES

WILLOWS UNION SCHOOL DISTRICT

I. SCOPE OF WORK

Attorney shall provide the following Bond Services to District with regard to a 2016 general obligation bond election.

A. Pre-Election Services

Pre-Election Services shall begin upon engagement of Attorney and shall be concluded on the day prior to the bond election. Pre-Election Services provided by Attorney shall include the following:

- Assistance with voter polling and election planning and research in advance of calling an election;
- Preparation of a timetable setting forth the actions required to accomplish the election, and coordination with the County election officials to ensure that the necessary legal requirements are satisfied;
- Coordination with finance team and preparation of Governing Board resolutions required to call the election, including assistance with the drafting of the ballot proposition and ancillary materials;
- Attend all meetings of the District, as well as any administrative meetings at which the election and financing proceedings are to be discussed, when requested to attend or when attendance is deemed necessary for the proper planning or conduct of the financing proceedings
- Assistance with the preparation of the tax rate statement and the County Counsel's independent analysis required for distribution to voters;
- Review of the ballot arguments to be prepared by or on behalf of the District;
- Consultation with the District and its staff, the County and its staff, and the District's financial consultant(s) concerning the election proceedings and campaign law requirements, including review of all District communications, and planned activities, for compliance with legal requirements;
- Preparation of the notices, affidavits and certificates required by law for conducting the election.

B. Bond Issuance Services

Bond Issuance Services shall commence after, and only in the event of, a successful bond election. Bond Issuance Services have two service components: Bond Counsel Services and Disclosure Counsel Services.

1. Bond Counsel Services. Services to issue bonds ("Bonds") after a successful election ("Bond Counsel Services") will include the following:
 - Advice regarding the initial formation and creation of a Bond Oversight Committee and assistance in establishing policies to manage the committee, including providing sample policies, bylaws and forms for consideration;

- Consultation with the District and its staff, the County, and the District's financial advisor concerning the Bonds and the timing, terms and structure of the offering;
 - Preparation of the proceedings to certify the election results and to authorize the Bonds, including the resolution of the District Governing Board requesting that the County Board of Supervisors issue the Bonds in the name of the District (if necessary); the resolution of the County Board of Supervisors setting forth the terms and conditions of the bonds and their form, date, denominations and maturity (if necessary); and preparation of the proceedings for the sale of the bonds by competitive or negotiated sale;
 - Attendance at up to two (2) in-person meetings of the District Governing Board and with the District's financial advisor and other consultants regarding the issuance and sale of the Bonds, as needed or requested; Coordination of the full finance team as necessary for the review of documents and finance plans;
 - Examination of the proofs of the Bonds, preparation of the final closing papers, organization and conduct of the Bond closing, and the rendering of a final legal opinion at the time of delivery of and receipt of payment for the bonds; Review of post-closing legal compliance requirements with the District.
2. Disclosure Counsel Services. Services to assure compliance of the Bonds with federal securities laws ("Disclosure Counsel Services") will include the following:
- Preparation of the Preliminary Official Statement, the final Official Statement, and continuing disclosure certificate which accompanies the latter, for use in marketing and sale of the bonds;
 - Delivery of a disclosure counsel opinion at closing; and
 - Review of Continuing Disclosure filing status pursuant to MSRB Rule 15c2-12.

II. FEES

A. Pre-Election Services

Fees for Pre-Election Services will be charged on an hourly basis at the rate of \$250.00 per hour to a maximum total of \$7,500.00. The hourly rate for paralegals, if needed, will be \$120.00 per hour. Fees shall be due and owing regardless of the outcome of the bond election. Fees for Pre-Election Services may not be paid from bond proceeds.

District further agrees to reimburse Attorney for actual and necessary expenses ("Expenses") and costs with respect to providing the above services, including travel costs, support services such as copying costs, express postage, and facsimile transmittals. District agrees that such actual and necessary expenses may vary according to special circumstances necessitated by request of District or emergency conditions which occasionally arise.

Substantive communications advice (telephone, voice-mail, e-mail) is billed in a minimum increment of one-tenth (.1) of an hour, except for the first such advice in any business day, which is charged in a minimum of three-tenths (.3) of an hour. In the course of travel it may be necessary for Attorney to work for and bill other clients while in transit.

Attorney shall send District a statement for fees and costs incurred every calendar month during the period of time in which Pre-Election Services are provided. Attorney's statements shall clearly state the basis thereof, including the amount, rate and basis for calculations or other methods of determination of Attorney's fees. District shall pay Attorney's statements within thirty (30) days after each statement's date. Upon District office's request for additional statement information, Attorney shall provide a bill to District no later than ten (10) days following the request. District is entitled to make subsequent requests for bills at intervals of no less than thirty (30) days following the initial request.

B. Bond Counsel Services

For each separate series of bonds issued during the term of this Agreement, Bond Counsel Services shall be compensated a set fee of \$40,000.00 per transaction, plus reimbursement of actual out-of-pocket expenses. Fees shall not be due and owing unless and until Bonds are issued, and shall be paid or reimbursed from Bond proceeds.

C. Disclosure Counsel Services

For each separate series of Bonds issued during the term of this Agreement, Disclosure Counsel Services shall be compensated a set fee of \$15,000.00 per transaction, plus reimbursement of actual out-of-pocket expenses. Fees shall not be due and owing unless and until Bonds are issued, and shall be paid or reimbursed from Bond Proceeds.

III. EXCLUDED SERVICES

The following additional services are excluded from the Scope of Work and are subject to the payment provisions on an hourly basis or as otherwise agreed by the Parties in writing. These include:

- Questions related to bonds outstanding prior to the date of Attorney's engagement by the District;
- Post-closing legal advice requiring significant legal research;
- Capital project planning, implementation, construction, and litigation;
- Applications for Private Letter Rulings from the IRS;
- Negotiation of investment contracts;
- In-person participation in Finance Team or Governing Board meetings exceeding two during a transaction;
- In-person participation in rating agency meetings or bond insurance agencies outside California; and
- Excluded expenses enumerated in the Professional Services Agreement.

In no event will Attorney provide campaign-related legal services to the District or any campaign committee formed to support a bond measure campaign of the District under this Agreement or any other Agreement.