



## City of Biggs

### Agenda Item Staff Report For the Regular City Council Meeting: October 11, 2016

TO: Honorable Mayor and Members of the City Council

FROM: City Administrator

SUBJECT: Purchase authorization for services from a Bond Council

#### **Background**

The application (State Revolving Fund) for funding of the Phase 2 Waste Water Treatment Plant requires that a state recognized bond council review the current and future revenues, expenses and debts of the waste water system and make certain satisfactory certifications to the State Water Resources Control Board.

#### **Recommendation:**

Authorize the City Administrator to contract with and purchase services of a bond council necessary to satisfy the State Water Resources Control Board, not to exceed \$6,000.00

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Mark Sorensen, City Administrator



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September 28, 2016

Mark Sorensen  
City Administrator  
City of Biggs  
P.O. Box 307  
Biggs, CA 95917

**Re: Engagement of Bond Counsel Legal Services; City of Biggs,  
State Water Resources Control Board Installment Sale Agreement  
Wastewater Treatment Plant Project**

Dear Mr. Sorensen:

This letter is to outline the proposed engagement of Meyers, Nave, Riback, Silver & Wilson ("Meyers Nave") to provide bond counsel legal services to the City of Biggs (the "City") in connection with the proposed execution and delivery of an Installment Sale Agreement (the "SRF Loan") to the State Water Resources Control Board ("SWRCB") to finance a portion of the cost and expense of a capital facilities project (the "Project") to improve the wastewater treatment plant of the City's wastewater system (the "Wastewater System").

This letter sets forth our proposed agreement concerning the legal services we will provide, the services which are not included, and our compensation arrangements for those services. Please read this entire proposal before submitting it for approval of the City Council.

**1. Scope of Engagement.** We will provide the following legal services with respect to this engagement: (a) obtain consent from the United States Department of Agriculture – Rural Development for issuance of parity debt secured by net revenues of the Wastewater System, (b) review the SRF Loan documents and (c) prepare the Bond Counsel opinion for the SRF Loan. Our work is limited to the services described, unless a separate written agreement between Meyers Nave and the City is established respecting any of the excluded services. A letter confirming such additional work shall bring such work within the scope of this agreement.

The services of Meyers Nave under this agreement will be provided by Stephanie Downs, Senior Associate, with assistance, if necessary, from Dianne Grant, Paralegal.

2. **Compensation.** As compensation for our services, we propose to bill hourly for the services listed in Section 1. Ms. Downs' hourly rate is \$350.00 per hour and Ms. Grant's hourly rate is \$185.00.

3. **Conflict of Interest.** Meyers Nave certifies that it has no interest, either direct or contingent, in any property or contract arising from or affected by the Project or the provision of the services, except as bond counsel to the City under this agreement, and Meyers Nave has not received a fee or other form of compensation from any source for services connected with the Project or the related financing provided by the SWRCB.

Meyers Nave has provided legal services to other local governmental agencies that include counties, cities, redevelopment agencies, special districts and other political subdivisions, as well as departments and agencies of the foregoing. Meyers Nave is providing services for these clients from time to time and expects to continue to do so in the future. The City is aware of Meyers Nave's ongoing relationships with such entities. No conflict is currently perceived to exist from such representations. To the extent that any actual conflict is perceived to arise from such relationships, Meyers Nave will apprise the City of such conflict and, after reasonable review and consideration, the City will inform Meyers Nave whether it will waive such conflict.

4. **Termination of Services.** You may terminate our services at any time by written notice. After receiving such notice, we will cease providing services. In the event of such termination by the City, whether with or without cause, Meyers Nave shall be entitled to compensation consisting of (a) legal fees for all time expended prior to receipt of the City's notice of termination at the hourly rates assigned to the personnel who have provided services under this agreement. Payment of compensation following termination pursuant to this paragraph 4 shall be due and payable to Meyers Nave within 30 days of submission to the City of an invoice respecting same.

5. **Insurance.** During the term of this engagement, this law firm shall take out and maintain general liability and property damage insurance in the amount of \$1,000,000; professional errors and omissions insurance, in an amount of \$2,000,000 per occurrence; and \$4,000,000 aggregate, which insurance may not be canceled or reduced in required limits of liability unless at least ten days advance written notice be given to you.

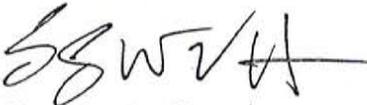
6. **No Guarantee of Outcome.** Any comments made by us about the potential outcome of this matter are expressions of opinion only and are not guarantees or promises about any outcome or results, including but not limited to successful consummation of the SRF Loan.

7. **Governing Law; Venue.** This agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement shall be filed in the Superior Court of Alameda City, California or in the Federal District Court for the Northern District of California.

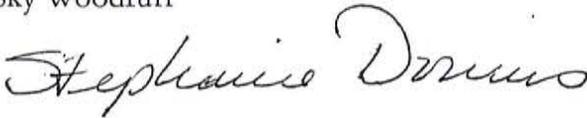
**8. Entire Agreement; Full Understanding; Modifications in Writing.** This letter contains our entire agreement about our representation. Any modifications or additions to this letter agreement must be made in writing.

In conclusion, we would request that you review this letter carefully and, if it is consistent with your understanding of our respective responsibilities, please present it for approval by the City Council, and assuming such approval, please sign and return a copy of this letter to me at your earliest convenience. Enclosed is an additional copy of this letter which you should retain for your records. Again, we look forward to serving as your lawyers for this financing transaction.

Very truly yours,



Sky Woodruff



Stephanie Downs

c: Billing Department

These terms are accepted and agreed to as of the date of this letter.

CITY OF BIGGS

By: \_\_\_\_\_

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