



CITY of CALABASAS

**ITEM 5 ATTACHMENT  
PROFESSIONAL SERVICES AGREEMENT**

**CONTRACT SUMMARY**

<b>Name of Contractor:</b>	NBS Government Finance Group
<b>City Department in charge of Contract:</b>	Finance
<b>Contact Person for City Department:</b>	Ron Ahlers
<b>Period of Performance for Contract:</b>	4/19/2021 – 4/18/2026
<b>Not to Exceed Amount of Contract:</b>	\$150,000
<b>Scope of Work for Contract:</b>	Debt-issue reports

**Insurance Requirements for Contract:**

yes  no - Is General Liability insurance required in this contract?

If yes, please provide coverage amounts:

yes  no - Is Auto insurance required in this contract?

If yes, please provide coverage amounts:

yes  no - Is Professional insurance required in this contract?

If yes, please provide coverage amounts:

yes  no - Is Workers Comprehensive insurance required in this contract?

If yes, please provide coverage amounts:

Other:

**Proper documentation is required and must be attached.**

Initials: (City) \_\_\_\_\_ (Contractor) \_\_\_\_\_

**PROFESSIONAL SERVICES AGREEMENT**  
**(NBS Government Finance Group, dba NBS)**

**1. IDENTIFICATION**

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the City of Calabasas, a California municipal corporation (“City”), and NBS Government Finance Group, dba NBS, a California company (“Consultant”).

**2. RECITALS**

- 2.1 City has determined that it requires the following professional services from a consultant: Quarterly Administrative Services, Interim Arbitrage Rebate Analysis Reports, Continuing Disclosure Reports, Debt-Issue reports as required for COP 2015, CFD 98-1, as well as other reports as requested.
- 2.2 Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

**3. DEFINITIONS**

- 3.1 “Scope of Services”: Such professional services as are set forth in Consultant’s April 23, 2019 proposal to City attached hereto as Exhibit A and incorporated herein by this reference.
- 3.2 “Approved Fee Schedule”: Such compensation rates as are set forth in Consultant’s April 23, 2019 fee schedule to City attached hereto as Exhibit B and incorporated herein by this reference.
- 3.3 “Commencement Date”: April 19, 2021
- 3.4 “Expiration Date”: April 18, 2026

**4. TERM**

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Expiration Date unless extended by written agreement of

the parties or terminated earlier in accordance with Section 17 (“Termination”) below.

**5. CONSULTANT’S SERVICES**

- 5.1 Consultant shall perform the services identified in the Scope of Services. City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement. In no event shall the total compensation and costs payable to Consultant under this Agreement exceed the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_, \_\_\_\_\_) unless specifically approved in advance and in writing by City.
- 5.2 Consultant shall perform all work to the highest professional standards of Consultant’s profession and in a manner reasonably satisfactory to City. Consultant shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*).
- 5.3 During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute and (ii) City has not consented in writing to Consultant’s performance of such work.
- 5.4 Consultant represents that it has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. \_\_\_\_\_ *[enter name of Consultant’s Staff]* shall be Consultant’s project administrator and shall have direct responsibility for management of Consultant’s performance under this Agreement. No change shall be made in Consultant’s project administrator without City’s prior written consent.

**6. COMPENSATION**

- 6.1 City agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept in full satisfaction for such services, payment in accordance with the Approved Fee Schedule.
- 6.2 Consultant shall submit to City an invoice, on a monthly basis or less frequently, for the services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period and the amount due. Within ten

business days of receipt of each invoice, City shall notify Consultant in writing of any disputed amounts included on the invoice. Within thirty calendar days of receipt of each invoice, City shall pay all undisputed amounts included on the invoice. City shall not withhold applicable taxes or other authorized deductions from payments made to Consultant.

- 6.3 Payments for any services requested by City and not included in the Scope of Services shall be made to Consultant by City on a time-and-materials basis using Consultant's standard fee schedule. Consultant shall be entitled to increase the fees in this fee schedule at such time as it increases its fees for its clients generally; provided, however, in no event shall Consultant be entitled to increase fees for services rendered before the thirtieth day after Consultant notifies City in writing of an increase in that fee schedule. Fees for such additional services shall be paid within sixty days of the date Consultant issues an invoice to City for such services.

**7. OWNERSHIP OF WRITTEN PRODUCTS**

All reports, documents or other written material ("written products" herein) developed by Consultant in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

**8. RELATIONSHIP OF PARTIES**

Consultant is, and shall at all times remain as to City, a wholly independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise to act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of City.

**9. CONFIDENTIALITY**

All data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without prior written consent by City. City shall grant such consent if disclosure is legally required. Upon request, all City data shall be returned to City upon the termination or expiration of this Agreement.

**10. INDEMNIFICATION**

- 10.1 The parties agree that City, its officers, agents, employees and volunteers should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the parties to be interpreted and construed to provide the City with the fullest protection possible under the law. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify and protect City as set forth herein.
- 10.2 To the fullest extent permitted by law, Consultant shall indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant or any of its officers, employees, servants, agents, or subcontractors in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.
- 10.3 City shall have the right to offset against the amount of any compensation due Consultant under this Agreement any amount due City from Consultant as a result of Consultant's failure to pay City promptly any indemnification arising under this Section 10 and related to Consultant's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.
- 10.4 The obligations of Consultant under this Section 10 will not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.
- 10.5 Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 10 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City, its officers, agents, employees and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of

Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.

- 10.6 City does not, and shall not waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

## **11. INSURANCE**

- 11.1 During the term of this Agreement, Consultant shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with Consultant's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:
- 11.1.1 Comprehensive General Liability Insurance with coverage limits of not less than One Million Dollars (\$1,000,000) including products and operations hazard, contractual insurance, broad form property damage, independent consultants, personal injury, underground hazard, and explosion and collapse hazard where applicable.
  - 11.1.2 Automobile Liability Insurance for vehicles used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per claimant and One Million dollars (\$1,000,000) per incident.
  - 11.1.3 Worker's Compensation insurance as required by the laws of the State of California.
  - 11.1.4 Professional Errors and Omissions Insurance with coverage limits of not less than One Million Dollars (\$1,000,000).
- 11.2 Consultant shall require each of its subcontractors to maintain insurance coverage that meets all of the requirements of this Agreement.
- 11.3 The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least A:VII in the latest edition of Best's Insurance Guide.
- 11.4 Consultant agrees that if it does not keep the aforesaid insurance in full force and effect, City may either (i) immediately terminate this Agreement; or (ii) take out

the necessary insurance and pay, at Consultant's expense, the premium thereon.

- 11.5 At all times during the term of this Agreement, Consultant shall maintain on file with City's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the City and its officers, employees, agents and volunteers as additional insureds. Consultant shall, prior to commencement of work under this Agreement, file with City's Risk Manager such certificate(s).
- 11.6 Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.
- 11.7 The General Liability Policy of insurance required by this Agreement shall contain an endorsement naming City and its officers, employees, agents and volunteers as additional insureds. The General Liability Policy required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to City. Consultant agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. If this contract provides service to a Homeowners Association, that Homeowners Association must be listed as an additional insured in addition to the City.
- 11.8 The insurance provided by Consultant shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.
- 11.9 All insurance coverage provided pursuant to this Agreement shall not prohibit Consultant, and Consultant's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against the City.
- 11.10 Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond guaranteeing payment of losses and expenses.
- 11.11 Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duties to indemnify, hold harmless and defend under Section 10 of this Agreement.

**12. MUTUAL COOPERATION**

- 12.1 City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.
- 12.2 In the event any claim or action is brought against City relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that City may require.

**13. RECORDS AND INSPECTIONS**

Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three years after the expiration or termination of this Agreement. City shall have the right to access and examine such records, without charge, during normal business hours. City shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

**14. PERMITS AND APPROVALS**

Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary in the performance of this Agreement. This includes, but shall not be limited to, encroachment permits and building and safety permits and inspections.

**15. NOTICES**

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during Consultant's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to City

City of Calabasas  
100 Civic Center Way  
Calabasas, CA 91302  
Attn: **Ron Ahlers**  
Telephone: (818) 224-1600  
Facsimile: (818) 225-7324

If to Consultant:

NBS Government Finance Group  
32605 Temecula Parkway,  
Suite 100  
Temecula, CA 92592  
Attn: Linda Connard  
Telephone: (800) 676-7516



With courtesy copy to:

Matthew T. Summers  
Colantuono, Highsmith & Whatley, PC  
City Attorney  
790 E. Colorado Blvd., Suite 850  
Pasadena, CA 91101  
Telephone: (213) 542-5700  
Facsimile: (213) 542-5710

**16. SURVIVING COVENANTS**

The parties agree that the covenants contained in Section 9, Section 10, Paragraph 12.2 and Section 13 of this Agreement shall survive the expiration or termination of this Agreement.

**17. TERMINATION**

17.1. City shall have the right to terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant shall have the right to terminate this Agreement for any reason on sixty calendar days' written notice to City. Consultant agrees to cease all work

under this Agreement on or before the effective date of any notice of termination. All City data, documents, objects, materials or other tangible things shall be returned to City upon the termination or expiration of this Agreement.

17.2 If City terminates this Agreement due to no fault or failure of performance by Consultant, then Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

**18. GENERAL PROVISIONS**

18.1 Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without City's prior written consent, and any

attempt to do so shall be void and of no effect. City shall not be obligated or liable under this Agreement to any party other than Consultant.

- 18.2 In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability or medical condition.
- 18.3 The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the section or paragraph thereof, as the case may be, and not such heading, shall control and govern in the construction of this Agreement. Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).
- 18.4 The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing.
- 18.5 Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in City's sole judgment that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 18.6 Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies. In the event legal action shall be necessary to enforce any term, covenant or condition herein contained, the party prevailing in such action, whether reduced to judgment or not, shall be entitled to its reasonable court costs, including accountants' fees, if any, and attorneys' fees expended in such action. The venue for any litigation shall be Los Angeles County, California.
- 18.7 If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term

or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

- 18.8 This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 18.9 All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of any document incorporated herein by reference, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between City and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed by City and Consultant.
- 18.10 In consideration of this agreement, consultant ( or artist(s), or performer(s) grants to city and its officers and employees, the right to film, through photography, video, or other media, the performance(s) contemplated under this agreement. The city is authorized to use of the performer(s) name(s) and/or Artist approved photographs. The city is also authorized, without limitation, to broadcast or re-broadcast the performance(s) on City CTV, through the city's website, news media, or through other forms of media (e.g. streaming).

**TO EFFECTUATE THIS AGREEMENT**, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

**“City”**  
**City of Calabasas**

**“Consultant”**  
***Name of Company or Individual***

By: \_\_\_\_\_  
James Bozajian, Mayor

By: \_\_\_\_\_  
Michael Rentner, Secretary President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Kindon Meik, City Manager

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

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Ron Ahlers, CFO

Date: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
Maricela Hernandez, MMC, CPMC  
City Clerk

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Matthew T. Summers  
Colantuono, Highsmith & Whatley, PC  
City Attorney

Date: \_\_\_\_\_

## **EXHIBIT A**

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### **CONSULTANT SCOPE OF SERVICES**

#### **Community Facilities District Administration (Bonded)**

##### **DATA COLLECTION**

NBS will gather and review data pertinent to the administration of the Community Facilities District. Data will be obtained from various sources such as Assessor's parcel maps, building permits and County Assessor information as determined to be necessary based on the requirements of the Rate and Method of Apportionment. NBS will maintain and periodically update a database of all parcels within the district along with relevant parcel information.

##### **ADMINISTRATIVE COST RECOVERY**

NBS will identify all costs associated with the administration of the Community Facilities District and recover those costs through the levy process as outlined in §53317(e) and §53340 of the Government Code of the State of California. Such costs may include, but are not to be limited to: Bank fees, legal fees, county tax collection fees, and all costs and expenses of the City Council, and its consultants related to district administration.

##### **CASH FLOW ANALYSIS**

NBS will determine the cash flow requirement, acquire current fund balances and make recommendations to keep the flow of funds and fund balances in compliance with the bond documents. Fund transfers might include the transfer of available surplus funds to be used as levy credits or the transfer of reserve funds to the redemption fund upon the prepayment of special taxes. Cash flow analysis will also be performed to determine any levy shortfall or surplus collections.

##### **SPECIAL TAX REQUIREMENT**

NBS will calculate the annual Special Tax Requirement that will include all necessary components as outlined in the Rate and Method of Apportionment, such as principal and interest due, administrative expenses, collection for direct financing of services or facilities, and a fund credit or replenishment as determined from analysis of the district funds.

##### **LEVY CALCULATION**

NBS will calculate the annual special tax levy for each parcel within the Community Facilities District following the guidelines established in the Rate and Method of Apportionment.

##### **MEETING ATTENDANCE**

NBS will attend meetings as requested by the City subject to additional expenses for time and travel.

##### **LEVY SUBMITTAL**

NBS will submit the levy to the County Auditor-Controller in the required format. Special Taxes rejected by the County Auditor-Controller will be researched and resubmitted for collection on the County Tax Roll. Any parcels that are not submitted to the County for collection will be invoiced for payment directly to the City.

## MAINTAIN DISTRICT DATA

NBS will annually track parcel changes to ensure that any changes are documented. Historical parcel change data will be maintained by NBS.

## SPECIAL TAX LEVY REPORT

NBS will provide an annual Special Tax Levy Report. This report will include a parcel listing with levy amounts and other parcel information, the details of the annual Special Tax Requirement, current delinquency information, fund analysis, administrative expenses to be recovered, and status of the project and current issues affecting the district.

## DELINQUENCY MONITORING

NBS will provide a comprehensive list of delinquencies after each installment becomes due. The delinquency report will provide the district's overall delinquency percentage as well as a detailed list of each delinquent parcel, with the name and address of the delinquent parcel owner, the delinquent amount, and penalties.

## PREPAYMENT CALCULATIONS

NBS will provide special tax prepayment calculations to interested parties. The party requesting the calculation shall pay the fee of any prepayment calculation.

## BOND CALLS

NBS will prepare the spread of principal to be called within maturities for all bond calls and coordinate the call with the Paying Agent/Trustee.

## RELEASE OF LIENS

NBS will prepare all documents required to release the liens of parcels that have prepaid the special tax.

## CDIAC REPORTING

NBS will perform all necessary reporting to the California Debt and Investment Advisory Commission as required by §53359.5(b) and §53359.5(c) of the Government Code of the State of California.

## ADDITIONAL REPORTING

NBS will be a resource to the City by staying current and identifying any new legislation and reporting requirements as they relate to the CFD.

For each of the following reporting requirements, NBS will review all pertinent documents and obtain the information needed to:

- Prepare the required reporting to the California State Controller's Office California Government Code, Section 12463.2, enacted as part of AB 2109. Provide to City staff for inclusion in the annual financial transaction report.
- Assist in the filing of the SB 165 report to the City Council each year to comply with legislation that enforces additional reporting requirements. California Government Code, Sections 50075.3 or 53411.
- Prepare other reports as required by any State and/or Federal disclosure reporting requirements pertaining to each CFD, as applicable, amended, or newly enacted and required. This may be subject to additional fee.

## NOTICE OF SPECIAL TAX DISCLOSURE

NBS will provide Notice of Special Tax Disclosure notices to requesting parties as required by §53340.2 and §53341.5 of the Government Code of the State of California. The fee of any Notice of Special Tax shall be billed to the requesting party.

### CONSULTING SUPPORT

NBS will provide a toll-free phone number for use by the City, other interested parties and property owners. Our staff will be available to answer questions regarding the CFD and ongoing collection of the special tax. Bilingual staff is available for Spanish-speaking property owners.

### **Continuing Disclosure**

In accordance with the Continuing Disclosure Certificate of the Bonds, NBS will support with the annual disclosure filing requirements of the SEC Continuing Disclosure Rule 15c2-12. Specifically, NBS will perform the following:

#### DOCUMENT REVIEW

NBS will review pertinent documents of the Bonds, including the Official Statement and Continuing Disclosure Certificate. We will identify material such as the Comprehensive Annual Financial Report and/or other operating data that the City has agreed to provide in the Continuing Disclosure Certificate.

#### DATA COLLECTION

NBS will collect the bond issue-specific financial information and operating data that the City has agreed to provide in the Continuing Disclosure Certificate.

#### **REPORT PREPARATION**

NBS will prepare the Annual Disclosure Report as required in the Disclosure Certificate.

#### ANNUAL DISSEMINATION

NBS will disseminate the Annual Disclosure Report including City Financials to the Electronic Municipal Market Access system, or EMMA, to other required parties, and also post to our website to allow public access free of charge.

#### SIGNIFICANT EVENTS

NBS will prepare and disseminate a "Notice of Significant Events", as listed on the Continuing Disclosure Certificate, to EMMA, as required in the certificate. Action will commence upon notification by the City of the occurrence of any of the events.

#### **CITY'S RESPONSIBILITIES FOR CONTINUING DISCLOSURE SERVICES:**

The City shall:

- Furnish NBS with any pertinent information that is available to the City and applicable to the services.
- Designate a person to act with authority on its behalf in respect to the services.
- Notify NBS of the occurrence of any events listed in the Continuing Disclosure Certificate.
- Promptly respond to NBS' requests for reviews and approvals of its work, and to its requests for decisions related to the services.

Understand and agree that NBS is entitled to rely on all information, data and documents (collectively,

“Information”) supplied to NBS by the City or any of its agents, contractors or proxies or obtained by NBS from other usual and customary sources including other government sources or proxies as being accurate and correct and NBS will have no obligation to confirm that such Information is correct and that NBS will have no liability to City or any third party if such Information is not co

### **Delinquency Management**

NBS will develop a comprehensive delinquency management program which includes a discussion and interpretation of the issuer’s foreclosure covenant together with a review of the existing policies and procedures of the City. This service can be provided as part of overall annual administration or as a stand-alone service. When deemed as the appropriate course of action, NBS will perform the following.

#### **DELINQUENCY REPORTS**

NBS will provide the City with an updated list of delinquencies prior to sending any of the below letters. This report will also detail each district’s percentage of delinquencies, as well as a detailed list of each delinquent parcel.

#### **REMINDER LETTER**

At the City’s direction, send a reminder letter to the property owner of each delinquent parcel for the December 10th installment. The purpose of the letter is to inform and educate the property owner of their obligation to pay the delinquent special tax.

#### **DEMAND LETTER**

At the City’s direction, send a demand letter to the property owner of each delinquent parcel for the April 10th installment. This letter will be mailed to any property owner who remains delinquent for both installments or who is delinquent for April 10th only. The purpose of this letter is to further educate the property owner and advise them of a potential foreclosure.

#### **LIENHOLDER LETTER**

At the City’s direction, send a demand letter to the lienholders of loan-defaulted parcels where a Notice of Default has been filed, notifying them of the special tax delinquency and the loss of their lien position when judicial foreclosure occurs. The purpose of this letter is to educate the lienholders and to spur quick payment of delinquencies in order to protect their interest in the property.

#### **LIENHOLDER RESEARCH**

At the City’s direction, perform detailed search of public records to identify lienholders on non-loandefaulted parcels. The purpose of this is to allow further communication from the City to educate the lienholders and to spur quick payment of delinquencies in order to protect their interest in the property.

#### **FORECLOSURE LETTER**

This type of letter is typically sent after the installments for a parcel have been removed from the tax roll. The letter delineates what amount must be paid directly to the City to forestall the turnover of collection to foreclosure counsel.

#### **TAX ROLL REMOVAL AND NOTICE**

NBS will provide the information required to remove delinquencies from the tax roll and coordinate with the County Auditor Controller to verify the removal. This step is in preparation of turning the delinquencies over to foreclosure counsel. Once removed from the tax roll, each property owner will



receive one final foreclosure letter indicating the amount due and payment instructions. NBS will file the Notice of Intent to Remove Delinquent Installments and remove such Notice upon payment of the delinquency.

#### **PAYMENT PLANS**

At the City's discretion, NBS will offer payment plans to property owners in lieu of turning delinquencies over to the City's foreclosure counsel.

#### **SUBSEQUENT FORECLOSURE SERVICES**

NBS will prepare and deliver all information to the City's foreclosure counsel. We will also continue to supply the City's counsel with additional information throughout the foreclosure process. We will continue to respond to property owner and City staff phone calls regarding the status of all cases, and will coordinate and audit status reports on a bi-monthly basis from the City's foreclosure counsel.

#### **CONSULTING SUPPORT**

NBS will provide a toll-free phone number for use by the City, other interested parties and all property owners. Our staff will be available to answer questions regarding the formation and ongoing collection of special taxes for the districts. Bilingual staff is available for Spanish-speaking property owners.

#### **Arbitrage Rebate**

To assist in compliance with the IRS Code and U.S. Treasury Regulations, NBS will provide the following services, at the fees quoted, through the firm of Bond Logistix, LLC ("BLX"), the premier firm for the provision of these services. The following outlines the specific services provided relating to arbitrage rebate calculation and consulting services.

#### **DOCUMENT REVIEW**

Pertinent documents of the issue will be reviewed including the Official Statement, Trust Indenture, Tax Certificate, and IRS form 8038-G to determine whether the issue is subject to the rebate requirement and identify what general and/or elective exceptions are available to the issue.

#### **DATA COLLECTION**

Collect third-party data and other statistical, financial, and cash flow information required for the reports.

#### **BOND YIELD**

Sources and uses of all proceeds will be identified to determine how the rebate requirement applies to each fund. Produce a debt service schedule for the issue and calculate and/or verify the bond yield.

#### **EXCESS EARNINGS CALCULATION**

Trust statements and/or City accounting records will be utilized to create a cash flow report for each fund. These reports will be used to identify all investment activity and interest earnings attributable to the funds. Calculate the arbitrage earnings on investment of funds subject to rebate and determine the issuer's net rebate and/or penalty liability.

#### **INVESTMENT YIELD CALCULATION**

The investment yield will be calculated for each fund as a "reality check" to reaffirm the accuracy of the cash flow report. This measure not only ensures the accuracy of the report but also is a useful tool when analyzing investment opportunities.

## SUMMARY REPORT

A report will be prepared that summarizes the rebate liability of the issue, identifies the methodology employed, computational assumptions, conclusions, and any recommended changes in record keeping and investment policies. Analyze all transactions and explore every legally permissible avenue to minimize the rebate liability. Identify outstanding proceeds subject to the rebate requirement, and identify the instruments and yields of the investment vehicles utilized by each fund.

### **FILING REQUIREMENT**

NBS will coordinate the preparation and filing of the IRS form 8038-T with the payment as required.

### **REVIEW**

NBS will review the rebate report with City staff and discuss the policies and procedures as they relate to the rebate requirement to ensure compliance with treasury regulations. The review will also be used to determine the necessity of any future calculations.

## LEGAL COUNSEL

Engage, upon request and at additional cost, the services of a tax counsel; whereupon, an independent legal opinion shall be rendered. *All BLX reports include a legal opinion from Orrick at no additional charge.*

### **ARBITRAGE COMPLIANCE**

Keep abreast of enforcement actions and changes to the code/regulations that affect arbitrage compliance requirements. Assist, upon request and at additional cost, the City in the event of a rebate calculation audit. Consult, upon request and at additional cost, with respect to the structuring of new bond issues and other matters that will affect any eventual

## **Senate Bill 1029 CDIAC Reporting**

### **DATA COLLECTION**

NBS will gather from the City, and/or any other source, the data pertinent to the reporting for each debt issue.

### **CDIAC REPORTING**

NBS will perform necessary reporting to the California Debt and Investment Advisory Commission as required by California Government Code Section 8855 (k), including filing the report online.

## **City's Responsibilities**

The City shall furnish NBS with any pertinent information that is available to City and applicable to the Services. The City shall designate a person to act with authority on its behalf in respect to the Services. The City shall promptly respond to NBS' requests for reviews and approvals of its work, and to its requests for decisions related to the Services. City understands and agrees that NBS is entitled to rely on all information, data and documents (collectively, "Information") supplied to NBS by City or any of its agents, contractors or proxies or obtained by NBS from other usual and customary sources including other government sources or proxies as being accurate and correct and NBS will have no obligation to confirm that such Information is correct and that NBS will have no liability to City or any third party if such Information is not correct.

## EXHIBIT B

### COMPENSATION FOR SERVICES

#### Community Facilities District Administration (Bonded)

Fiscal Year 2021/22

District / Issue	Annual Administration	Continuing Disclosure			SB 1029 Reporting	Arbitrage Rebate	Delinquency Management
		Report Fee	Dissemination	Cal Muni Expenses (estimated)			
CFD 98-1	\$6,937.65	\$2,668.33	\$25.00	N/A	\$519.64	See Below	See Below
CFD 2001-1	12,274.29	2,668.33	25.00	N/A	519.64	See Below	See Below
2015 COP	N/A	800.50	25.00	\$500.00	519.64	See Below	N/A

Fiscal year 2022/23

District / Issue	Annual Administration	Continuing Disclosure			SB 1029 Reporting	Arbitrage Rebate	Delinquency Management
		Report Fee	Dissemination	Cal Muni Expenses (estimated)			
CFD 98-1	\$7,145.78	\$2,748.38	\$25.00	N/A	\$535.22	See Below	See Below
CFD 2001-1	12,642.52	2,748.38	25.00	N/A	535.22	See Below	See Below
2015 COP	N/A	824.51	25.00	\$500.00	535.22	See Below	N/A

Fiscal year 2023/24

District / Issue	Annual Administration	Continuing Disclosure			SB 1029 Reporting	Arbitrage Rebate	Delinquency Management
		Report Fee	Dissemination	Cal Muni Expenses (estimated)			
CFD 98-1	\$7,360.15	\$2,830.83	\$25.00	N/A	\$551.28	See Below	See Below
CFD 2001-1	13,021.80	2,830.83	25.00	N/A	551.28	See Below	See Below
2015 COP	N/A	849.25	25.00	\$500.00	551.28	See Below	N/A

Fiscal year 2024/25

District / Issue	Annual Administration	Continuing Disclosure			SB 1029 Reporting	Arbitrage Rebate	Delinquency Management
		Report Fee	Dissemination	Cal Muni Expenses (estimated)			
CFD 98-1	\$7,580.95	\$2,915.75	\$25.00	N/A	\$567.82	See Below	See Below
CFD 2001-1	13,412.45	2,915.75	25.00	N/A	567.82	See Below	See Below
2015 COP	N/A	874.72	25.00	\$500.00	567.82	See Below	N/A

Fiscal year 2025/26

District / Issue	Annual Administration	Continuing Disclosure			SB 1029 Reporting	Arbitrage Rebate	Delinquency Management
		Report Fee	Dissemination	Cal Muni Expenses (estimated)			
CFD 98-1	\$7,808.38	\$3,003.23	\$25.00	N/A	\$584.85	See Below	See Below
CFD 2001-1	13,814.83	3,003.23	25.00	N/A	584.85	See Below	See Below
2015 COP	N/A	900.96	25.00	\$500.00	584.85	See Below	N/A

5 Year Summary of the Fees Shown Above

District/Bond Issue	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	5 Year Total by District <sup>(1)(2)</sup>
CFD 98-1	10,150.62	10,455.14	10,768.79	11,091.86	11,424.61	<b>53,891.02</b>
CFD 2001-1	15,487.26	15,951.88	16,430.43	16,923.35	17,431.05	<b>82,223.97</b>
2015 Certificates of Participation	1,845.14	1,900.49	1,957.51	2,016.23	2,076.72	<b>9,796.10</b>
<b>Total for Three Districts</b>	<b>27,483.02</b>	<b>28,307.51</b>	<b>29,156.74</b>	<b>30,031.44</b>	<b>30,932.38</b>	<b>145,911.09</b>

<sup>(1)</sup> Fees are for Annual Administration, Annual Continuing Disclosure and AB 1029 Reporting. Additional fees apply for Expenses, Arbitrage, Significant Event Disclosure and Delinquency Management as approved by the City.

<sup>(2)</sup> Fees increased by an estimated 3% but will not exceed the annual percent change in the Consumer Price Index.

(3)

Continuing Disclosure – See table above for Annual Report Fee

Significant Event Fee .....	hourly or \$250 per event
Significant Event Dissemination (per recipient) .....	\$25
<b>Delinquency Management</b>	
Reminder Letters <sup>(1)</sup> .....	\$15
Demand Letters <sup>(1)</sup> .....	\$30
Lienholder Letters <sup>(1,2)</sup> .....	\$40
Lienholder Research (Notice of Default Not Filed) .....	
Hourly .....	\$50
Foreclosure .....	\$300
Letters .....	\$300
Payment Plan .....	\$300
Tax Roll .....	\$300
Removal <sup>(3, 4)</sup> .....	\$75
Removal of the Notice of Intent to Remove Delinquent Installments <sup>(4)</sup> .....	\$25
Subsequent Foreclosure Fees <sup>(4)</sup> .....	\$100

*All fees are based on a per-parcel/per-district basis, except as noted below.*

- (1) This fee will be recovered as part of the next levy.
- (2) Letter is sent to lienholders where public Notice of Default has been filed. Fee reduced to \$20 when sent jointly with Foreclosure Letter to same parcel.
- (3) This fee includes filing of the “Notice of Intent to Remove Delinquent Installments” but does not include County fees for removal from the tax roll.
- (4) This fee is per parcel/per district/per year from the initiation of the foreclosure.

**Arbitrage Rebate Reporting**

The following fees are for typical bond issues and analysis required. If there are unusual issues or commingled funds, there could be additional fees. We will recommend strategies to minimize the effort and fees for this work.

**BASE FEES**

Commitment Fee (first report only): .....	Waived
Report Fee (per report): .....	\$1,250

**ADDITIONAL SERVICE FEES**

Computation Periods in Excess of 18 Months (per year): .....	\$250
Commingled Funds Analysis (as appropriate).....	\$250
Transferred Proceeds Analysis (as appropriate) .....	\$250
Variable Rate Issues .....	\$250 – 500

**EXPENSES**

Customary out-of-pocket expenses will be billed to the City at actual cost to NBS. These expenses may include, but not be limited to, mailing fulfillment, postage, reproduction, telephone, travel, meals and various third-party charges for data, maps, and recording fees.

**ADDITIONAL SERVICES**

The following table shows our current hourly rates. Additional services authorized by the City but not included in the scope of services will be billed at this rate or the then applicable hourly rate.

Title	Hourly Rate
Director	\$225
Associate Director	\$210
Senior Consultant / Manager	\$175
Consultant	\$155
Analyst	\$130
Clerical/Support	\$105

**TERMS**

Administration services will be invoiced at the beginning of each quarter. Expenses will be itemized and included in the next regular invoice. Fees for all other services will be invoiced upon completion of the task. If the project is prematurely terminated by either party, NBS shall receive payment for work completed. Payment shall be made within 30 days of submittal of an invoice. If payment is not received within 90 days simple interest will begin to accrue at the rate of 1.5% per month. Either party may cancel this contract with 30 days written notice.