

## Memo

To: Village Board  
Fr: Craig Berndt  
Re: Springsted Contract Approval for Bond Issuance Services  
Date: December 30, 2013

Attached is the contract with Springsted for financial services for the Street and Utility Reconstruction project bond issuance for village board approval and signature.

As you recall, we obtained two proposals for the financial assistance and the board selected Springsted for the project.

The contract has been reviewed by the village attorney. Two changes were made to the original draft contract. The first change was that the state of legal venue was changed to Wisconsin. The second change was to delete the indemnity clause because it was onerous to the village. This contract is now acceptable to our attorney.

It is recommended that this contract be approved and signed by the village board.



## AGREEMENT FOR FINANCIAL ADVISOR SERVICES

THIS AGREEMENT is made as of the \_\_\_\_ day of \_\_\_\_\_, 201 \_\_, by and between the Village of Allouez, Wisconsin, ("Client") and Springsted Incorporated ("Advisor").

WHEREAS, the Client wishes to retain the services of the Advisor on the terms and conditions set forth herein, and the Advisor wishes to provide such services;

NOW, THEREFORE, the parties hereto agree as follows:

1. Services. For each Debt Obligation issued by the Client during the term of this Agreement, the Advisor shall advise the Client as to the following matters related to the Debt Obligation, depending on the characteristics of the Debt Obligation and the needs of the Client; (a) the basis and procedure for authorization of the Debt Obligation; (b) the structure of the Debt Obligation; (c) the need for and type of collateral or other devices for securing repayment of the Debt Obligation or of any loan made by the Client with the proceeds of the Debt Obligation; (d) an estimate, based on data provided by the Client, as to the sufficiency of revenue to repay the Debt Obligation or any loan made by the Client with the proceeds of the Debt Obligation; (e) the ratability of the Debt Obligation; (f) the marketability of the Debt Obligation; and (g) the rate of interest at which the Debt Obligation should be issued. In addition, depending on the characteristics of the Debt Obligation and the needs of the Client, the Advisor may assist the Client in drafting the Official Statement related to the Debt Obligation, apply for a credit rating, print or arrange for printing of the Official Statement, the instruments evidencing the Debt Obligation, and any related documents. For the purposes of this Agreement the term "Debt Obligation" shall mean all indebtedness issued by the Client which is evidenced by a bond or similar instrument.
2. Compensation. For each Debt Obligation the Client shall compensate the Advisor at the rates set forth in Appendix A attached hereto.
3. Term and Termination. This Agreement shall commence as of the date hereof, and shall continue until terminated by either party by written notice given at least 60 days before the effective date of such termination, provided that no such termination shall affect or terminate the rights and obligations of each of the parties hereto with respect to any Debt Obligation, whether or not complete, for which the Advisor has provided services prior to the date that it received such notice.
4. Confidentiality; Disclosure of Information.

Client Information. All information, files, records, memoranda and other data of the Client which the Client provides to the Advisor or which the Advisor becomes aware of in the performance of its duties hereunder ("Client Information") shall be deemed by the parties to be the property of the Client. The Advisor may disclose the Client Information to third parties in connection with the performance by it of its duties hereunder.

Advisor Information. The Client acknowledges that in connection with the performance by the Advisor of its duties hereunder, the Client may become aware of internal files, records, memoranda and other data, including without limitation computer programs of the Advisor ("Advisor Information"). The Client

acknowledges that all Advisor Information, except reports prepared by the Advisor for the Client, is confidential and proprietary to the Advisor, and agrees that the Client will not, directly or indirectly, disclose the same or any part thereof to any person or entity except upon the express written consent of the Advisor.

5. Miscellaneous

- 5.1 No Underwriting Participation. The Advisor shall not during the term of this Agreement directly or indirectly engage in the underwriting of any Debt Obligation.
- 5.2 Delegation of Duties. The Advisor shall not delegate its duties hereunder to any third party without the express written consent of the Client.
- 5.3 No Third Party Beneficiary. No third party shall have any rights or remedies under this Agreement.
- 5.4 Entire Contract; Amendment. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior written or oral negotiations, understandings or agreements with respect hereto. This Agreement may be amended in whole or in part by mutual consent of the parties, and this Agreement shall not preclude the Client and the Advisor from entering into separate agreements for other projects.
- 5.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.
- 5.6 Severability. To the extent any provision of this Agreement shall be determined invalid or unenforceable, the invalid or unenforceable portion shall be deleted from this Agreement, and the validity and enforceability of the remainder shall be unaffected.
- 5.7 Notice. All notices required hereunder shall be in writing and shall be deemed to have been given when delivered, transmitted by first class, registered or certified mail, postage prepaid and addressed as follows:

If to the Client:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to the Advisor, to:

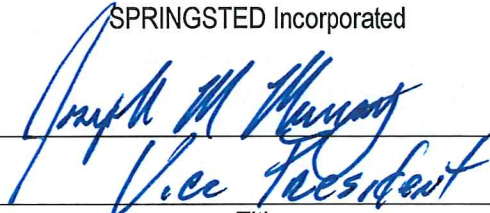
Springsted Incorporated  
380 Jackson Street, Suite 300  
St. Paul, MN 55101-2887  
Attention: Managing Principal

The foregoing Agreement is hereby entered into on behalf of the respective parties by signature of the following persons each of whom is duly authorized to bind the parties indicated.

FOR CLIENT

\_\_\_\_\_  
\_\_\_\_\_  
Title

SPRINGSTED Incorporated

  
\_\_\_\_\_  
Vice President  
Title



## APPENDIX A OF AGREEMENT BETWEEN

Village of Allouez, Wisconsin

AND

Springsted Incorporated

Effective as of \_\_\_\_\_

### SCHEDULE OF ADVISOR'S COMPENSATION FOR SERVICES RELATING TO CLIENT'S DEBT OBLIGATIONS:

Section 1. General obligation debt:

| <u>Issue Size</u>          | <u>Fee</u>                                  |
|----------------------------|---|
| Up to \$1,000,000          | \$9,500                                     |
| \$1,000,001 - \$3,000,000  | \$9,500 + \$2.50/\$1,000 above \$1,000,000  |
| \$3,000,001 - \$5,000,000  | \$14,500 + \$1/\$1,000 above \$3,000,000    |
| \$5,000,001 - \$10,000,000 | \$16,500 + \$0.50/\$1,000 above \$5,000,000 |
| Over \$10,000,000          | Fee to be negotiated                        |

The foregoing schedule shall include the Advisor's services through closing of a Debt Obligation, including Advisor's out-of-pocket expenses such as travel, copies, teleconferencing, deliveries, etc... If the Advisor performs post-closing services relative to a Debt Obligation, it shall be compensated for such services at the hourly rates set out in Section 4 below. A single Debt Obligation with multiple finance plans is charge per finance plan with a discount of 20% per plan applied after the first plan.

Section 2. Non-General obligation debt:

Non-general obligation and advance refunding debt, state and federal loan fund transactions. Revenue issues will have an additional fee of \$4,000 to the fee set out in Section 1 above. Advance refunding obligations will have an additional fee of \$2,000 of the fee set out in Section 1 above. Fees for assisting with federal or state government loan fund transactions would be at 50% of the fee set out in Section 1 above.

Section 3. Expenses:

The Client shall be responsible for issuance expenses including, without exclusion of other expenses: (i) publication of notices, (ii) legal fees, (iii) delivery and settlement, (iv) rating fees, (v) other third party Debt Obligation related expenses, and (vi) governmental and governmental agency fees and charges. Advisor's fees are all inclusive fees, including Advisor's out-of-pocket expenses such as travel, copies, teleconferencing, deliveries, etc.

Section 4. Schedule of hourly rates for non-Debt Obligation related services:

|                            |       |               |       |
|----------------------------|-------|---------------|-------|
| Principal & Senior Officer | \$220 | Associate     | \$145 |
| Officer, Project Manager   | \$190 | Support Staff | \$ 65 |
| Senior Associate           | \$155 |               |       |

Section 5. In the event it is necessary for the Advisor to repeat Debt Obligation services because of events beyond the Advisor's control, the Advisor shall be compensated for such repetitive services at the hourly rates set out in the foregoing Section 4 of this Appendix. The Advisor shall not be entitled

to compensation under this section for failed referenda unless otherwise provided by agreement between the Client and the Advisor.

Section 6. Due Dates:

1. The Advisor's fees for a Debt Obligation shall be contingent upon closing of the Debt Obligation, except that if the Debt Obligation is awarded but cannot be closed by reason of an error or act of commission or omission by the Client, the Advisor shall be paid the amount which would have been due upon closing. If, however, the reason for non-closing is beyond the control of the Client and without fault of the Client, then the Advisor shall be compensated at one-half the amount which would have been due upon closing.
2. Amounts due the Advisor for expenses and services charged at hourly rates shall not be contingent.
3. All amounts due the Advisor shall be due upon the Client's receipt of billing.

Section 7. The fees set out herein shall be effective for 12 months from the effective date of the Agreement and shall extend to any Debt Obligation for which the Advisor has performed a service pursuant to the Agreement relative to the Debt Obligation within said 12-month period. Thereafter, the Advisor's compensation and expenses shall be at the rates charged other similar clients as of the time a Debt Obligation is commenced.

ABANDONMENT:

If a Client Debt Obligation is abandoned for any reason and the Advisor is without fault for such abandonment, the Advisor shall be paid a fee in the amount that would have been due if the Advisor's services to the point of abandonment had been charged at the hourly rate set out in Section 4 herein. A Debt Obligation shall be deemed abandoned upon notice by the Client to the Advisor of abandonment or whenever the Client has taken no action with respect to the Debt Obligation within one year, whichever occurs first.

Delay in the issuance of Debt Obligations resulting from failed authorization referenda shall not constitute abandonment unless otherwise provided by agreement between the Client and the Advisor.

This Appendix is acknowledged to be a part of the Agreement, effective as of \_\_\_\_\_, between the Client and the Advisor.

FOR CLIENT

SPRINGSTED Incorporated

\_\_\_\_\_

\_\_\_\_\_

Title

Title