

CITY OF BLAINE
REQUEST FOR COUNCIL ACTION
MEETING DATE: September 27, 2010

SUBJECT: Agreement for Bond Counsel Services

DEPARTMENT: Finance

PREPARED BY: _____
(Digital Signature)

AGENDA LOCATION: ☒ Consent Agenda ☐ Council Action ☐ Unfinished Business

ATTACHMENTS:

1. Agreement for Bond Counsel Services with Foster Pepper, PLLC

BACKGROUND/SUMMARY: Nancy Nerass has been the City's bond counsel for many years; she has prepared the City's bond documents in the past and has knowledge of the City's current financing bonds. She has since moved to a different law firm, Foster Pepper PLLC. Nancy has a solid background in the legal requirements regarding municipal financing. She also has experience in LID formation and assessments. Staff recommends that the City continue to retain Nancy for its bond counsel needs.

BUDGET IMPLICATIONS: The fees for bond counsel services vary depending on the bond issue dollar amount. The specific fees are outlined in the fee schedule of the agreement.

RECOMMENDATION: ☒ Waive the second reading
Staff recommends that Council authorize the City Manager to sign the agreement with Foster Pepper, PLLC for bond counsel services.

REVIEWED BY:

City Manager _____ Finance Director _____ City Clerk _____
(Digital Signature) (Digital Signature) (Digital Signature)

COUNCIL ACTION:

☐ Approved ☐ Denied ☐ Tabled/Deferred ☐ Assigned to: _____

ADDITIONAL INFORMATION: _____



FOSTER PEPPER PLLC

Direct Phone (206) 447-6277
Direct Facsimile (206) 749-1992
E-Mail NeraN@foster.com

August 23, 2010

Mr. Jeffrey Lazenby
Finance Director
City of Blaine
344 H Street
Blaine, WA 98230

Re: City of Blaine, Washington – Bond Counsel Services

Dear Jeff:

Thank you for the opportunity to provide bond counsel services to the City of Blaine, Washington (the "City"). We would be pleased to work with the City. Following is a description of legal services we would expect to provide to the City:

1. Advise the City concerning the legal requirements under federal and state laws applicable to the authorization, issuance and sale of bonds.
2. Advise the City concerning the status of interest on bonds under federal tax laws.
3. Assist the City in analyzing proposed financing options from legal and practical viewpoints.
4. Provide representation of bond counsel at all meetings and hearings held by the City during the period of issuance and sale of bonds when appropriate and when so directed by the City.
5. Prepare the necessary proceedings, notices and other documents necessary for the authorization, issuance and sale of bonds.
6. For a competitive sale, prepare the notice of sale, attend the bond sale meeting and evaluation of bids.
7. For a negotiated sale, review the bond purchase contract prepared by the purchaser or its counsel.
8. Advise with respect to the factual and legal disclosure required by state and federal securities law.

9. For LIDS, prepare the formation and assessment roll documents.
10. Provide such other legal guidance and assistance, supervision and consultation, conduct such proceedings and provide such opinions as may be appropriate.
11. Supervise the printing and delivery of bonds to the purchasers and prepare all necessary closing documents.
12. Upon completion of all proceedings and upon our determination that all such proceedings and bonds are valid, provide to the City and the bond purchasers our legal opinion approving the validity of all proceedings had for the authorization and issuance of the bonds and their delivery and stating the status of interest on the bonds under the federal tax laws.
13. Assemble and examine a transcript concerning all proceedings taken in connection with the issuance and sale of bonds.
14. Prepare and provide to the City, and other members of the finance team, a copy of the transcript of all proceedings and documentation.
15. In addition, we provide legal advice and assistance on finance-related matters between bond issues without additional charge.

As compensation for performing the services set forth above, we would charge a fee calculated on the basis of the principal amount of bonds actually issued, as outlined in the attached Fee Schedule. In addition to our legal fees, we would be compensated for costs of preparing transcripts. If bonds are not issued, we will not charge for our services.

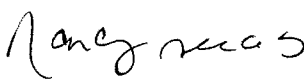
In the event that additional legal services ancillary to the above-described legal services are requested by the City, we would not perform any services without a prior written agreement.

This agreement is terminated at any time.

If the agreement we propose is satisfactory, please sign the enclosed copy of this letter as indicated below and return a copy to us in the enclosed self-addressed, stamped envelope.

Very truly yours,

FOSTER PEPPER PLLC

By 
Nancy Neraas

Mr. Jeffrey Lazenby
August 23, 2010
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APPROVED AND ACCEPTED on behalf of the
City of Blaine, Washington

Name

Title

Date

FEE SCHEDULE

FEES FOR BOND COUNSEL SERVICES

Bond counsel services will be compensated as follows:

Issue Size	G.O. Bonds	Revenue Bonds	LID Bonds
\$1,000,000 or less	Negotiable	Negotiable	Negotiable
\$1MM - \$4,999MM	\$5,000 + 1.25 per thousand above \$1MM	\$6,000 + 1.60 per thousand above \$1MM	\$7,000 + 1.60 per thousand above \$1MM
\$5MM - \$9,999MM	\$10,000 + 1.20 per thousand above \$5MM	\$12,400 + 1.40 per thousand above \$5MM	\$13,400 + 1.60 per thousand above \$1MM

Adjustments to Base Fee Schedule

1. Bond Anticipation Notes: 0.50 x base fee.
2. Private Placements With A Bank – Single Bond: 0.50 x base fee.
3. Preparation of Official Statements: \$5,000