

BLUFFDALE CITY UTAH
RESOLUTION NO. 2007-56

A RESOLUTION

WHEREAS, The City has sent out a Request for Proposal (RFP) for Financial Services ; and

WHEREAS, These proposals have been received and reviewed by the City Manager;

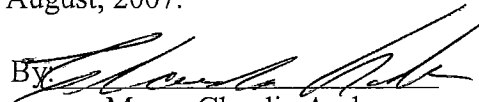
NOW, THEREFORE, BE IT RESOLVED BY THE BLUFFDALE CITY COUNCIL:

Section 1. Authorize the City Manager to enter into an agreement for financial services with George K. Baum & Company.

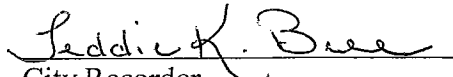
Section 2. Severability. If any section, part or provision of this Resolution is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other portion of this Resolution and all sections, parts and provisions of this Resolution shall be severable.

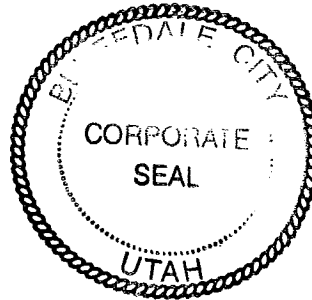
Section 3. Effective Date. This Resolution shall become effective immediately upon its passage and authorizes and directs the Mayor to execute and cause to be delivered the same.

PASSED ADOPTED AND APPROVED the 28 day of August, 2007.

By 
Mayor Claudia Anderson

ATTEST:


City Recorder



Voting by the City Council: Aye Nay

Council Member Briggs	<u> x </u>	_____
Council Member Kelley	<u> x </u>	_____
Council Member Lord	<u> x </u>	_____
Council Member Maxwell	<u> x </u>	_____
Council Member Speed	<u> x </u>	_____



FINANCIAL ADVISORY AGREEMENT

THIS FINANCIAL ADVISORY AGREEMENT ("Agreement") is made this 13 day of September 2007, between **BLUFFDALE CITY** (the "City"), and **GEORGE K. BAUM & COMPANY** (the "Provider").

PURPOSE: The City is contemplating ongoing capital projects, which may result in the City's issuance of bonds, notes, refunding bonds and/or the use of other financial analyses and instruments relating to such ongoing capital projects. The City deems it in its best interest to retain the Provider, a qualified and experienced investment banking firm, to serve as financial advisor to the City and perform all related tasks in connection with the issuance of notes and other debt securities of the City, to serve as structuring agent for privately placed bonds, and/or to structure and negotiate low-interest loans with State agencies. The City requested proposals from qualified financial advisors and subsequently selected George K. Baum & Company.

CONSIDERATION: Consideration for this Agreement includes the services, compensation and mutual exchange of promises of the parties as specified herein.

SPECIFIC PROVISIONS: The provisions of the above "Purpose" section are material and binding terms of this Agreement.

1. **Provider's Obligations.** The Provider shall provide the City with financial advisory services for the analysis of cost and other factors relative to the issuance of bonds, and other debt instruments, and in particular the Provider shall:
 - A. Work with the City and others as directed by the City's Administration concerning the issuance of debt securities and/or application for low-interest rate loans from State agencies;
 - B. Attend meetings and make itself available to the City, its Administration and other agents for consultation and conference at times and places mutually agreed upon;
 - C. Assist the City in the preparation, coordination and distribution of printed matter, including circulars, press releases, special mailing, etc., in order to acquaint the City's population with the benefits and financial considerations of the issue(s);
 - D. Prepare financial information and schedules necessary to acquaint the City with the characteristics and terms of various forms of financing potentially available to the City, including potentially applicable interest rates, marketing factors, credit enhancement, and user fee / tax impact costs;

- E. Advise the City on underwriting or privately placing its bonds, providing regular updates of bond market conditions, analysis of financial or accounting factors of importance to the proper placement of bonds, recommendations regarding appropriate bond maturity schedules, call features, registration provisions, paying agency and trusteeship responsibility, user rate covenants, any special sinking fund provisions, flow of tax or user fee funds, interest rate limitations, bond delivery procedures and/or investment of idle bond funds;
- F. Make recommendations as to the exact amount of the bonds to be issued, maturity schedules, redemption features and provisions and other related items, in order to formulate the most attractive and appealing investment package to the purchasers of the bonds then available in the marketplace which will result in the maximum benefit and minimum net effective interest cost to the City;
- G. Assist, as appropriate, in the preparation of a credit presentation for bond rating agencies and bond insurance companies;
- H. Collect, format and prepare information, in cooperation with the City, for a Preliminary Official Statement, Private Placement Memorandum or State loan application as appropriate, and related contracts or agreements and bond proceedings, all of which shall be appropriately approved and/or executed by the City;
- I. Engage in the selection of an underwriter or private placement purchaser where appropriate;
- J. Arrange to distribute the Preliminary Official and/or Final Official Statement to potential investors and/or purchasers;
- K. Consult with the City as to the timing of the sale of all bonds and the manner of selling bonds;
- L. Make the necessary arrangements for the delivery of bonds, escrow of legal papers and funds, and will assist with the reinvestment of bond proceeds;
- M. Coordinate with the City's bond counsel to arrange for closing and delivery of the bonds;
- N. It is expressly understood that this Agreement does not intend, and is not under any circumstances to be construed, as requiring Provider to perform services which may constitute the practice of law. The Provider is retained only in a financial advisory capacity;
- O. It is expressly understood that this Agreement does not intend to be, and is not under any circumstances to be construed as, a contract for Investment Banking Services within the meaning of MSRB Rule G-23. The Provider is retained

pursuant to this Agreement as the City's Financial Advisor or structuring agent, as may be applicable;

- P. It is understood that the Provider will not limit its work to the specific obligations outlined above, but reasonably will extend its services in an effort to achieve the overall objective that all specific projects agreed by the City and Provider are brought to a successful conclusion on behalf of the City in a timely, professional and satisfactory manner.

2. City's Obligations. The City's obligations shall include the following:

- A. Retain the Provider as its Financial Advisor and to serve as structuring agent for its ongoing capital projects;
- B. Cooperate with the Provider in the proper development of the project(s), and provide to the Provider all pertinent information needed to support successfully underwritten or privately placed bonds on behalf of the City;
- C. The City will employ for each project a nationally recognized firm of bond attorneys, and also will utilize the services of the City's attorney;
- D. The City will pay for all costs of legal advice, printed matter (informational brochures, bond printing, Preliminary and Final Official Statements, etc.), advertising, engineering, bond ratings, bond insurance premium, required audits and all other professional or other services for each project, as mutually agreed by the parties;
- E. Upon delivery and sale of any bonds, the City will pay the Provider a financial advisor fee as outlined in Exhibit A (below) or to be mutually agreed by the parties or, in the case of a private placement, the City will pay the Provider a mutually agreed structuring agent fee.

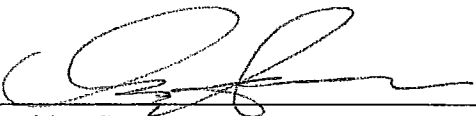
Exhibit A: Fees & Expenses	
General Obligation Bond Issue:	\$3.00/\$1,000
Revenue Bond Issue	\$3.50/\$1,000
Lease Revenue Bond Issue	\$4.00/\$1,000
Tax and Revenue Bond Anticipation Notes	\$2.50/\$1,000
Notes:	
1. Minimum of \$10,000 per issue.	
2. Expenses to be reimbursed by the City.	

3. **Term.** Upon the signature below of each party's authorized representative, this Agreement shall be binding upon the City and the Provider, as well as their respective successors, for a period of three (3) years from the date of this Agreement. This Agreement shall be governed by the laws of the State of Utah. It shall not be assigned without the prior written agreement of both parties.
4. **Extension.** If the City and the Provider so elect in writing, this Agreement may be extended for one (1) or more additional term(s) of three (3) years.
5. **Termination.** Either party shall have the right to terminate this Agreement in full for any reason with at least ninety (90) days written notice to the other party prior to May 31st of any year that this contract is in force. In addition, the City shall provide written notice to the Provider of any violation or default of the terms of this Agreement and the Provider shall have thirty (30) days to cure such default. If the Provider is not able to cure the default to the City's satisfaction, the City shall have the right to immediately terminate this Agreement. At the termination of this Agreement, in any such manner, the payment to the Provider of compensation earned to the date of such termination shall be in full satisfaction of all claims against the City under this Agreement.
6. **Execution.** This Agreement may be executed in multiple counterparts, and together such counterparts will be deemed an original.

IN WITNESS WHEREOF, the parties here have executed this Agreement the day and year first above written.

AGREED TO AND ACCEPTED:

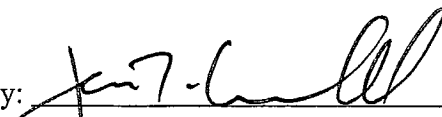
BLUFFDALE CITY

 9/13/07

David P. Sanderson
Interim City Manager

AGREED TO AND ACCEPTED:

GEORGE K. BAUM & COMPANY

By:  _____
Title: Executive Vice President
