

A G R E E M E N T

THIS AGREEMENT is made and entered into this 1st day  
of December, 1987, by and between the

CITY OF REDLANDS, a political subdivision of the  
State of California, hereinafter referred to as  
"CITY,"

A  
N  
D

SEIDLER-FITZGERALD PUBLIC FINANCE, a division of  
SEIDLER AMDEC SECURITIES INC., hereinafter referred  
to as "CONSULTANT."

W I T N E S S E T H:

WHEREAS, City electors passed a \$7,620,000 General  
Obligation bond issue on November 3, 1987 for the acquisition of  
park, recreation and open space land; and

WHEREAS, City utilized the services of outside  
consultants, including Management Services Institute (MSI),  
Douglas W. Ayres/Consultant and Pamela Swift/Elections Consultant  
to develop the feasibility study, legal proceeding and ballot  
language; and

WHEREAS, City has determined it will be necessary to  
issue General Obligation bonds in the amount of \$7,620,000 to  
acquire land for the open space program; and

WHEREAS, CITY desires to obtain the services of a  
qualified Financial Consultant to assist City with the G.O. Bond  
financing; and

WHEREAS, CONSULTANT is qualified to serve as financial  
consultant to assist CITY with the proposed issuance of the G.O.  
bonds to finance said land acquisition; and

WHEREAS, it is in the best interest of CITY to hire CONSULTANT.

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES, COVENANTS AND CONDITIONS HEREIN CONTAINED, THE PARTIES HERETO AGREE AS FOLLOWS:

A. The services of CONSULTANT shall consist of the following:

1. Size the issue at \$7,620,000 and structure the sale to maximize proceeds to the City of at least \$7,250,000 per the May 27, 1987 MSI feasibility report to the City.

2. CONSULTANT shall pay all costs of issuance (except bond counsel), including consultants on the election, such as MSI, Douglas W. Ayres/Consultant and Pamela Swift.

3. In cooperation with bond counsel, review all documents necessary to implement the proposed financing plan, including the supportive documents providing security.

4. Provide technical support in defining disclosure issues necessary to meet Government Finance Officers Association (GFOA) guidelines.

5. Structure those terms and conditions such as maturities, coupon rates, call features and security features for the bond issue which most advantageously meet demands of current market conditions and meet the objectives of CITY to insure the lowest possible net interest cost.

6. Develop and write preliminary and final official statement for the competitive sale of necessary G.O. bonds.

7. Assist bond counsel with the preparation of the notice of sale and resolution of issuance.

8. Explore possibility and benefits of insuring the bond issue.

9. Arrange for the printing of the preliminary and final official statements.

10. Assist with marketing the G.O. bond issue, including obtaining the best rating possible from the rating agencies as well as processing the actual sale of bonds, including handling all aspects of a rating trip to New York City.

11. Advise CITY on the timing of the bond sale in relation to the market conditions and financing needs.

12. Organize and participate in information meetings, if needed, to create investor interest in the bond issues for strong competitive bidding.

13. Attend the public opening of proposals submitted for the purchase of the bonds, evaluate the bids, and assist with tabulation and award of the bids submitted.

14. Arrange for distribution of the final official statements to members of the winning syndicate.

15. Arrange for the printing, and assist in the signing and delivery of the new bonds.

16. Mr. John C. Fitzgerald, or such other officer of CONSULTANT as is approved by CITY, shall be available to advise CITY and attend meetings where needed.

B. For and in consideration of the services to be performed hereunder, CITY shall pay at the bond closing to CONSULTANT, and CONSULTANT shall accept from CITY, the sum of \$295,000, which sum shall become due and payable to CONSULTANT only if, and when, the hereinabove described G.O. bond issue is sold and the proceeds received therefrom.

CONSULTANT shall pay and be responsible for the following costs (except CITY'S bond counsel fees and expenses and bond insurance, if needed) incident to the bond issue:

- Moody's Rating Fee
- Standard & Poor's Rating Fee
- Fiscal Agent's first year fee
- Registrar's first year fee
- Printing of Preliminary Official Statement
- Printing of Notice of Sale
- Printing of Final Official Statement
- Cost of advertising sale in The Bond Buyer
- Printing the bonds
- Cost of Management Services Institute
- Cost of Douglas W. Ayres/Consultant
- Cost of Pamela Swift/Elections Consultant
- Travel expenses to New York City
- Overlapping debt statement
- Mailing Official Statements
- Information meeting expenses

IN WITNESS WHEREOF, the parties hereof have executed  
this Agreement on the day and year first hereinabove written.

CITY OF REDLANDS, a political  
subdivision of the State of  
California

By Carole R. DeLoach  
Mayor

SEIDLER-FITZGERALD PUBLIC FINANCE  
(a division of SEIDLER AMDEC  
SECURITIES INC.)

By Charles E. Seidler  
CONSULTANT

ATTEST:

Janice Boyer  
City Clerk