

RESOLUTION NO. 4218

A RESOLUTION APPROVING A BOND COUNSEL PROPOSAL WITH JACKSON, MURDO & GRANT, P.C., FOR SERVICES RELATED TO THE FINANCING OF REAL PROPERTY.

WHEREAS, the City of Miles City is exploring the purchase of the Garberson Clinic Building for use as a municipal police department facility;

AND WHEREAS, the City wishes to engage Jackson Murdo & Grant, P.C., as bond counsel to assist with securing financing for said purchase;

NOW THEREFORE BE IT RESOLVED by the City Council of Miles City, Montana, as follows:


1. The Bond Counsel Proposal attached hereto as Exhibit "A", and made a part hereof, is hereby approved and adopted by this Council.
2. The Mayor of the City of Miles City is hereby empowered and authorized to execute said Contract on behalf of the City of Miles City and bind the City of Miles City thereto.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, AT A DULY CALLED MEETING THIS 11TH DAY OF DECEMBER, 2018.



John Hollowell, Mayor

ATTEST:



Lorrie Pearce, City Clerk

JACKSON, MURDO & GRANT, P.C.

ATTORNEYS AT LAW
203 North Ewing Street
Helena, MT 59601

NATHAN BILYEU
DAVID C. DALTHORP
ROBERT M. MURDO
SEAN SLANGER
SCOTT M. SVEE
BURT W. WARD
MURRY WARHANK

OF COUNSEL
TERRY B. COSGROVE
JOHN H. GRANT
DAVID L. JACKSON
JACQUELINE T. LENMARK

Direct Dial: (406) 442-1303
Fax: (406)443-7033
Email: murdo@jmgm.com

November 9, 2018

Lt. Dan Baker
City of Miles City
17 South 8th Street
Miles City, MT 59301

Re: Bond Counsel Proposal for Assistance with Acquisition and Remodel of Law Enforcement Building

Dear Mr. Baker:

Thank you for requesting a proposal from our firm to serve as Bond Counsel for the above-referenced project. This letter outlines our qualifications and the scope of work that are expected to be provided to assist with the financing of the above-referenced improvement project (the "Project") through the issuance of an obligation of the City (the "Bond").

Our firm is considered a "Nationally Recognized Bond Counsel" firm. We are currently listed in the Bond Buyer's Directory of Municipal Bond Attorneys. Since 1981, we have served as bond counsel to various local governments in the financing of improvements through the issuance of municipal bonds.

Bond counsel is engaged as a recognized expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of Bond. We agree to perform such services and undertake such additional duties as we deem necessary to render our approving opinion as to the above-referenced financings.

SCOPE OF ENGAGEMENT

In this engagement, we expect to perform the following duties:

- (1) Subject to the completion of proceedings to our satisfaction, render our legal opinion (the "Bond Opinion") regarding the validity and binding effect of the Bond, the source of payment and security for the Bond, and, if it is to be a tax-exempt bond, the excludability of interest on the Bond from gross income for federal income tax purposes and state individual income tax purposes;

- (2) Participate in conference calls with Project participants to prepare and review documents necessary or appropriate for the authorization, issuance and delivery of the Bond, coordinate the authorization and execution of such documents as are necessary for the Project, and review and assist the City in communication with the Bond purchaser.
- (3) Assist the City in seeking from other governmental authorities or private financing entities such approvals, permissions, and exemptions as are necessary or appropriate in connection with the authorization, issuance, and delivery of the Bond;
- (4) Review legal issues relating to the structure of the Bond issue, including those under the U.S. Tax Code if the interest income on the Bond is to be exempt from Federal taxation; and
- (5) Advise and assist the City with meeting the requirements of the Bond purchaser.

Our Bond Opinion will be addressed to the City and the Bond purchaser and will be delivered by us on the date the Bond is exchanged for its purchase price (the "Closing").

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the City with applicable laws relating to the Bond. During the course of this engagement, we will rely on you to provide us with complete and timely information on all developments pertaining to any aspects of the Bond and its security. We understand that you will direct employees and Project consultants of the City to cooperate with us in this regard.

Our duties in this engagement are limited to those expressly set forth above and the following tasks are excluded from these contracted services:

- (1) Preparing requests for tax rulings from the Internal Revenue Service;
- (2) Pursuing test cases or other litigation;
- (3) Making an investigation or expressing any view of the creditworthiness of the City;
- (4) Responding to Internal Revenue Service examinations or inquiries;
- (5) Providing post-closing advice; and,
- (6) Providing financial advice.

ATTORNEY-CLIENT RELATIONSHIP

Upon execution of this engagement letter, the City will be our client and an attorney-client relationship will exist between us. Our services as bond counsel are limited to those contracted

for in this letter; the City's execution of this engagement letter will constitute an acknowledgment of those limitations.

Our representation of the City and the attorney-client relationship created by this engagement letter will conclude upon issuance of the Bond.

FEES

1. Bond Issuance

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing represented by the Bond; (ii) the duties we will undertake pursuant to this engagement letter; (iii) the time we anticipate devoting to the financing; and (iv) the responsibilities we will assume in connection therewith, we estimate that our fee for completing the Bond financing will be in the range of \$10,000 to \$20,000 and will be paid at the closing of the financing. This fee quote does not anticipate travel from our office in Helena to the City, however, we will be available by phone to participate in other meetings. We expect all of the communication to be done by phone, e-mail or mail. If, at any time, we believe that circumstances require an adjustment of our original fee estimate, we will advise you and prepare and provide to you an amendment to this engagement letter. In addition, we will expect to be reimbursed for all client charges made or incurred on your behalf, such as photocopying, deliveries, computer-assisted research and other expenses. We estimate that such charges will be in the range of \$100 to \$250.

2. No Bond Issuance

In the event the City determines that the Project will not proceed or the financing will be able to be completed without the rendition of our opinion as bond counsel, we will expect to be compensated for our time involved at the rate of \$200 per hour. At such time we will provide a detailed bill showing the time worked assisting the City and will make arrangements with the City for payment of such bill over time.

We agree that the terms of this proposal may be considered as contract terms upon the City's acceptance of the proposal and an authorized signature in the space provided below.

Very truly yours,

JACKSON, MURDO, & GRANT, P.C.




Robert M. Murdo
Robert M. Murdo

If the foregoing terms are acceptable to you, please so indicate by returning the enclosed copy of this engagement letter dated and signed by an authorized officer, retaining the original for your files. We look forward to working with you.

ACCEPTED AND APPROVED

City of Miles City

By: 
Its: MAYOR
Title: MAYOR
Date: 12-11-18