



PROFESSIONAL SERVICES AGREEMENT

By and Between

KEYANALYTICS

and

**WILLIAM S. HART UNION
HIGH SCHOOL DISTRICT**

for

***Mello-Roos Community Facilities District
Services***

THIS AGREEMENT, commencing on _____, 2020, by and between **William S. Hart Union High School District**, located in the County of Los Angeles, California, a school district duly organized under the laws of the State of California (the "DISTRICT"), and C Financial Investment, Inc., a California corporation d.b.a. **KEYANALYTICS** (the "CONSULTANT").

WITNESSETH

WHEREAS, the DISTRICT has determined it has an immediate and ongoing need for the CONSULTANT to provide the professional consulting services as set forth in Section I of this AGREEMENT including the referenced exhibits attached hereto;

WHEREAS, the DISTRICT and the CONSULTANT have reasonably concluded that the services described herein do not currently constitute municipal advisory services as the term is applied by the SEC and the MSRB to firms acting as an advisor in connection with the analyzing, structuring or advising on matters related to the structuring and/or issuing of municipal securities;

WHEREAS, the CONSULTANT has disclosed that it is specifically not qualified to provide legal or investment advice related to legal matters and investment decisions that impact the use or restrictions of certain funds or the investment of any DISTRICT funds as part of its services hereunder; and

WHEREAS, the services required and described in this AGREEMENT are highly specialized and are not otherwise required by the DISTRICT except during periods when Community Facilities Districts are being formed, Community Facilities Districts require the levy of Special Taxes and when ongoing maintenance and compliance is required related to any resulting debt issuances.

NOW, THEREFORE, it is mutually agreed as follows:

The DISTRICT hereby retains the CONSULTANT to perform the services, upon the terms, subject to the conditions, and in consideration of payments as hereinafter set forth.

I. SERVICES TO BE PROVIDED BY CONSULTANT

The DISTRICT shall initially direct the CONSULTANT to perform the services set forth in the statements of work (collectively the "Statements of Work"), that are attached as Exhibit A and Exhibit B to this AGREEMENT in a diligent manner consistent with the usual and customary professional standards for similar consulting work. This AGREEMENT and the Statements of Work shall be referred to herein as the "AGREEMENT".

The CONSULTANT may be directed by the DISTRICT in writing to perform supplemental tasks, analyses, expert testimony or assignments related to the provision of the services ("Special Related Consulting Services") in this AGREEMENT. Such related services are intended to supplement the services as described herein as circumstances may, from time-to-time, require assistance with matters related to but not contemplated by this AGREEMENT.

II. COMPENSATION FOR SERVICES RENDERED**A. FEES**

DISTRICT shall pay CONSULTANT a fee computed in accordance with the fee schedule incorporated into each of the attached Statements of Work for the services rendered (the "Fee Schedules").

The DISTRICT agrees to pay, and the CONSULTANT agrees to receive as full compensation for the rendering of any additional Special Related Consulting Services, based on the time and materials expended, a rate based on the hourly rates listed in the table below plus out-of-pocket expenses as described in Section II(B) below.

HOURLY RATES	
Principal	\$250/Hour
Vice President	\$225/Hour
Senior Associate	\$185/Hour
Associate	\$125/Hour
Support Staff	\$100/Hour

B. REIMBURSEMENT FOR OUT-OF-POCKET EXPENSES

Unless otherwise stated within the Fee Schedule, CONSULTANT shall be reimbursed for out-of-pocket expenses, which includes extraordinary travel expenses, charges for outside services specifically requested by the DISTRICT, filing fees, printing charges and other like expenditures -- provided that if any individual expense exceeds \$1,000.00, the CONSULTANT shall obtain the PRIOR WRITTEN APPROVAL of a DISTRICT's representative. The CONSULTANT shall be reimbursed for such expenses upon submitting an itemized statement therefore. These expenses shall be billed no more frequently than quarterly, if incurred, and payable no later than thirty (30) days following receipt of the CONSULTANT's invoice.

C. INVOICES

Unless otherwise stated within the Fee Schedules, on or about the 15th day following each month during which Consulting Services are rendered hereunder, CONSULTANT shall deliver to DISTRICT an invoice for the Consulting Services performed and the reimbursable expenses incurred in the prior month. All fees and reimbursable expenses shall be payable no later than thirty (30) days following receipt of the CONSULTANT's invoice.

III. OTHER MATTERS

- A. Severability:** Should any portion of the AGREEMENT be invalidated through legal proceedings; the remaining portions of the AGREEMENT shall remain valid and binding upon both parties;
- B. Sub-consultants:** The CONSULTANT may utilize inputs and data provided by the DISTRICT, DISTRICT consultants, or other third parties retained by the CONSULTANT without or at the direction of the DISTRICT. The CONSULTANT agrees that all payments to such sub-consultants retained by the CONSULTANT without direction of the District shall be the sole responsibility of the CONSULTANT.
- C. Independent Contractor Status:** The CONSULTANT, and all agents and employees of CONSULTANT, shall perform the services required pursuant to this AGREEMENT as an independent contractor, not as officers, employees or agents of the DISTRICT. In providing the services contemplated by this AGREEMENT, the CONSULTANT shall maintain a professional working relationship with the DISTRICT.
- D. Indemnity:** The CONSULTANT shall indemnify, defend and hold the DISTRICT, its Board of Trustees, officers, agents, and employees harmless from any and all claims, damages, losses, causes of action and demands, including reasonable attorney's fees and costs, incurred in court action with or in any manner arising out of the CONSULTANT'S performance of, or failure to perform, any of the duties contemplated by this AGREEMENT, unless such failure was caused in whole or in part by a negligent act or omission of the DISTRICT.
- The DISTRICT shall indemnify and hold the CONSULTANT, its officers, agents and employees harmless from any and all actions or omissions to act which are the responsibility, in whole, or in part, of the DISTRICT. The obligation to indemnify and hold a party harmless as set forth herein shall include payment of any and all attorney's fees and other expenses which are the subject of such AGREEMENT to indemnify and hold harmless, in addition to any damages actually incurred.
- E. Special Provision for Ongoing Investigations, Litigation and Law Enforcement Related Activities:** The DISTRICT shall compensate the CONSULTANT separately, at its hourly consulting rate, for any ADDITIONAL services made necessary by any external investigation by State, County or Federal authorities of the DISTRICT's utilization of funds and expenditures or CONSULTANT prepared data provided that the investigation does not arise primarily from the activities of the CONSULTANT. The CONSULTANT shall be entitled to recover reasonable legal costs made necessary by its involvement in any such investigations including legal advice related to the preparation of materials to be used in testimony or as evidence in such investigations and legal expenses incurred as a result of proposed or actual legal actions involving the CONSULTANT that are not primarily the result of acts of gross negligence or misconduct of the CONSULTANT.
- F. Taxes:** The CONSULTANT shall be liable and solely responsible for paying all required taxes, including, but not limited to, federal and state income taxes and social security taxes, on all amounts payable to the CONSULTANT. All payments to the CONSULTANT shall be reported to the appropriate State and Federal tax authorities as required.

- G. Amendment:** This AGREEMENT cannot be changed or supplemented orally but may be modified or suspended by written instrument executed by all parties.
- H. Compliance with Law:** While performing the services contemplated by this AGREEMENT, the CONSULTANT and the DISTRICT agree to comply with all applicable laws and regulations.
- I. Work Records:** All written work products generated by the CONSULTANT, shall be deemed to be the mutual property of the DISTRICT and the CONSULTANT. The DISTRICT's right to documents produced by the CONSULTANT pursuant to this AGREEMENT shall be limited to read-only copies of the work performed and shall not include any ownership interest, license or possession of any spreadsheets, databases, computer models or data files utilized in preparing the read-only materials.
- J. Entire AGREEMENT:** This AGREEMENT constitutes the entire agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral relating to the services to be provided in the AGREEMENT. Prior agreements not directly related to the services to be provided in this AGREEMENT shall remain in full force and effect.
- K. Successors Permitted, Assignment:** This AGREEMENT shall remain valid and binding upon a successor DISTRICT or CONSULTANT in the event that either entity is merged, unified, divided or formed as a successor to either of the two parties to this AGREEMENT.
- L. Execution of the AGREEMENT in Counterparts:** This AGREEMENT may be executed in several counterparts each of which shall be an original. Electronic signatures may be provided to this AGREEMENT or any amendment thereto consistent with the provisions of the California Uniform Electronic Transactions Act.
- M. Initial Term of the AGREEMENT:** The initial term of this AGREEMENT shall be three (3) years beginning on the date of this AGREEMENT.
- N. Renewal of the AGREEMENT:** At the expiration of the initial term, this AGREEMENT can be extended with up to two (2) extensions for two (2) year periods by the mutual consent of the parties. Any renewal shall be considered an extension of the original AGREEMENT for the purposes of calculating fees. Failure to renew the AGREEMENT shall not result in a reduction, cancellation or termination of any fees which have been earned by, but not yet paid to the CONSULTANT during the term of the AGREEMENT, and all such fees shall remain payable pursuant to the AGREEMENT's provisions regarding CONSULTANT's fees for services provided hereunder.
- O. Termination of the AGREEMENT:** This AGREEMENT, may be terminated by either party, with or without cause, upon thirty (30) days written notice of either the DISTRICT or the CONSULTANT. All fees (other than hourly fees that shall be paid on an hourly basis notwithstanding termination) shall be prorated according to the percentage of work completed by the CONSULTANT on the date of termination of other services to be provided under this AGREEMENT without regard to which party exercised the option to terminate. Fees are due and payable prior to the date of termination.
- P. Fee Disputes:** The parties agree to work cooperatively to resolve any, if any, fee disputes that arise during the term of this AGREEMENT. Should such efforts fail to resolve any dispute(s), the

parties agree that any reasonable legal costs incurred to enforce the terms of this agreement shall be recoverable by the prevailing party.

- Q. Notices:** Except for invoices submitted by the CONSULTANT, all notices or other communications to either party by the other shall be deemed given when made in writing and delivered, mailed or sent by electronic transmission to such party at their respective addresses as follows:

If to DISTRICT:

Ralph Peschek

Chief Business Officer

William S. Hart Union High School District

21380 Centre Pointe Parkway

Santa Clarita, CA 91350

(661) 259-003 Ext. 242

rpeschek@hartdistrict.org

If to CONSULTANT:

Steven Gald

Vice President, Public Finance

KeyAnalytics

555 Corporate Dr.

Ladera Ranch, CA 92694

Phone: (949) 282-1077

sgald@calschools.com

All notices shall be effective immediately upon personal delivery or electronic transmission; or on the first business day after delivery to an overnight delivery service, or on the fifth business day if mailed, postage prepaid

IV. DISPUTE RESOLUTION

THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE. BY SIGNING AN ARBITRATION AGREEMENT, THE PARTIES AGREE AS FOLLOWS:

- A. All parties to this AGREEMENT are giving up the right to sue each other in court, including the right to a trial by jury, except as provided in the rules of the arbitration forum in which a claim is filed.
- B. Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- C. The ability of the parties to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings.

- D. The arbitrators do not have to explain the reasons(s) for their award.
- E. The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities and/or school district industry.
- F. The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- G. The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this AGREEMENT.

Notwithstanding the foregoing, the arbitration forum rules chosen herein provides for only one arbitrator and for mutual participation by the DISTRICT and CONSULTANT in selecting the arbitrator. Arbitration is generally faster and less expensive than a court proceeding. It also offers the parties the opportunity to select a decision-maker who is knowledgeable with respect to the subject matter of the dispute.

The DISTRICT and the CONSULTANT shall use good faith efforts to resolve all disputes informally through direct discussions between the DISTRICT representative and a representative of the CONSULTANT to be appointed by the CONSULTANT for this purpose.

If the parties cannot resolve their dispute by direct consultation, the dispute shall be referred to mediation through the offices of Judicial Arbitration and Mediation Services (JAMS) at the JAMS office which is geographically most closely located to the chief administrative office of the DISTRICT. The parties shall jointly attempt to agree on a mediator from a list of mediators provided by JAMS but if they cannot so agree, they shall request that JAMS provide the parties with a list of potential mediators containing an odd number of not less than five, and the DISTRICT and the CONSULTANT shall alternatively strike one name from the list with the last remaining name deemed to be the mediator selected by the parties.

If the dispute is not resolved in mediation, the matter shall then be submitted to binding arbitration through JAMS and such arbitration shall be conducted pursuant to the JAMS Streamlined Arbitration Rules & Procedures.

Nothing contained herein shall limit either party from seeking injunctive or equitable relief from a court of competent jurisdiction, provided that such injunctive or equitable relief shall be solely in addition to, and not in substitution for the dispute resolution process otherwise provided herein.

The prevailing party in any arbitration or litigation procedure shall be entitled, in addition to any other relief to an award of reasonable attorney's fees incurred.

IN WITNESS WHEREOF, the DISTRICT has caused these presents to be properly executed and the CONSULTANT has caused these presents to be properly executed, as of the date hereinabove set forth.

WILLIAM S. HART UNION HIGH SCHOOL DISTRICT,
a School District Duly Authorized Under
the Laws of the State of California

By: _____

Ralph Peschek
Chief Business Officer

C FINANCIAL INVESTMENT, INC.,
a California Corporation d.b.a.
KEYANALYTICS

By: _____


Michael Ogburn
Senior Vice President

EXHIBIT A

STATEMENT OF WORK

Special Tax Consulting Services



 *a Division of California Financial Services*

STATEMENT OF WORK

SPECIAL TAX CONSULTING SERVICES

SERVICES TO BE PROVIDED BY CONSULTANT

CONSULTANT shall assist the DISTRICT with the negotiation and implementation of mitigation terms related to the future impact of planned residential and commercial development. Such assistance shall include but not be limited to the following activities, as the DISTRICT deems necessary:

1. ANNEXATION INTO COMMUNITY FACILITIES DISTRICTS:

- a. Participate in meetings and conference calls as necessary throughout the annexation process.
- b. Gather information regarding property and planned development (acreage, number of units, unit's square footage, sales price, timing, and existing and proposed overlapping property taxes and assessments).
- c. Coordinate an estimated budget of the proposed improvements to be financed, including issuance costs related to the bonds.
- d. Prepare a Special Tax analysis including a variety of Special Tax categories based on the specific planned development. The analysis will include estimating effective tax rates and maximum Special Tax coverage.
- e. Coordinate the preparation of a boundary map (in accordance with the Streets and Highways Code) 18-inch by 26-inch format suitable for recording as well as an 8-inch by 11 -inch format, including a configuration of parcels, at the time of district annexation.
- f. Coordinate the appropriate signatures for the map and record the boundary map after approval by the DISTRICT's Board.
- g. Verify the number of registered voters within the proposed annexation area with the Registrar of Voters.
- h. Prepare an annexation report.
- i. Assist with the preparation of documents, Board resolutions and presentations required by DISTRICT for the annexation.
- j. Attend relevant meetings of the DISTRICT's Board and prepare Board presentations for staff and/or present such presentations directly to the Board.

2. FORMATION OF COMMUNITY FACILITIES DISTRICTS:

- a. Participate in meetings and conference calls as necessary throughout the formation process.

- b. Gather information regarding property and planned development (acreage, number of units, unit's square footage, sales price, timing, and existing and proposed overlapping property taxes and assessments).
- c. Prepare an estimated budget of the proposed improvements to be financed, including issuance costs related to the bonds.
- d. Prepare a Special Tax analysis including a variety of Special Tax categories based on the anticipated development. The analysis will include effective tax rates and maximum Special Tax coverage.
- e. Review Special Tax analysis with funding team, modify if necessary and finalized prior to moving forward with the formation.
- f. Develop the Rate and Method of Apportionment of Special Tax ("RMA") based on the Special Tax analysis described above.
- g. Coordinate the preparation of a boundary map in accordance with the Streets and Highways Code, 18-inch by 26-inch format suitable for recording as well as 8-inch by 11 - inch format including a configuration of parcels at the time of district formation.
- h. Coordinate the appropriate signatures for the map and record the boundary map after approval by the DISTRICT's Board.
- i. Verify the number of registered voters within the proposed Community Facilities District ("CFD") with the Registrar of Voters.
- j. Prepare the Community Facilities District Report in accordance with Government Code Section 53321.5.
- k. Assist with the preparation of documents, Board resolutions and presentations required by DISTRICT for the formation of the CFD.
- l. Attend relevant meetings of the DISTRICT's Board and prepare Board presentations for staff and/or present such presentations directly to the Board.

3. ISSUANCE OF CFD BONDS AND OTHER SECURITY TYPES TO BE REPAID BY SPECIAL TAXES:

- a. Create tables for the Preliminary Official Statement and Official Statement where customary or otherwise requested. These tables typically include:
 - 1) Maximum Special Tax coverage
 - 2) Effective tax rate table showing the tax rate projected to be on an average developed parcel in the CFD
 - 3) Projected Special Taxes based on development status at bond sale
 - 4) Sample tax bill
 - 5) Direct and overlapping debt

- b. Review Preliminary Official Statement and Official Statement with respect to information included in the Community Facilities District Report, additional bond issues, foreclosure covenants, disclosure agreements, and escrowed proceeds (if applicable).
- c. Review the fiscal agent agreement/bond indenture prepared by Bond Counsel.
- d. Review and sign the Special Tax Consultant Certificate certifying that the maximum Special Tax rates are sufficient to meet debt service requirements for all bonds commonly secured by the special tax.

FEE SCHEDULE

The DISTRICT agrees to pay, and the CONSULTANT agrees to receive as full compensation for the rendering of the Special Tax Consulting Services, as described above, based on following amounts:

- 1. ANNEXATION INTO COMMUNITY FACILITIES DISTRICTS AND FORMATION OF COMMUNITY FACILITIES DISTRICTS:** The DISTRICT agrees to pay and the CONSULTANT agrees to receive as full compensation for the rendering of the services listed under Annexation Into Community Facilities Districts and Formation of Community Facilities Districts an amount based on the time and materials expended and the following hourly rates:

HOURLY RATES	
Principal	\$250/Hour
Vice President	\$225/Hour
Senior Associate	\$185/Hour
Associate	\$125/Hour
Support Staff	\$100/Hour

- 2. ISSUANCE OF CFD BONDS AND OTHER SECURITY TYPES TO BE REPAID BY SPECIAL TAXES:** The DISTRICT agrees to pay, and the CONSULTANT agrees to receive as full compensation for the rendering of the services associated with the Issuance of CFD Bonds and other security types (collectively, the “Bonds”) to be repaid from the Special Taxes, an amount based on the fees listed below:

MAXIMUM FEE PER ISSUANCE	
Bonds Repaid by a Single CFD	\$30,000/Issuance
Bonds Repaid by Multiple CFDs	\$20,000/CFD

The fees associated with the issuance of Bonds are due upon the successful closing of each issuance of Bonds.

EXHIBIT B

STATEMENT OF WORK

Community Facilities District Annual Administration Services



a Division of California Financial Services

STATEMENT OF WORK

COMMUNITY FACILITIES DISTRICT ANNUAL ADMINISTRATION SERVICES

SERVICES TO BE PROVIDED BY CONSULTANT

CONSULTANT will assist the DISTRICT with the annual administration of Community Facilities District ("CFD") Special Taxes. Such assistance shall include but not be limited to the following activities:

- 1. CFD SPECIAL TAX LEVY CALCULATION:** Annually calculate and submit the Special Tax roll to be levied on the secured roll of the County. The procedures to accomplish this will include the following activities:
 - a. Determine Annual Special Tax Requirements** - Prepare analysis for each CFD reflecting cost recovery needs, pending debt service requirements and fund balances available to pay the current year's debt service, all administrative expenses, and if required, any amounts needed to replenish the reserve fund.
 - b. Update Files with New Parcel Information** - Using building permit and final map information available from appropriate municipalities, identify all new assessor parcel numbers that are subject to the Special Tax for the current fiscal year and integrate this information with all prior year's data. If applicable, files will be updated to reflect any prepayments of the Special Tax.
 - c. Maintain Information on Undeveloped Property** - Update and maintain relevant information on all additional property within the CFD boundaries that currently may not be subject to a Special Tax, but which may/will be in the future.
 - d. Update Special Tax Rates and Tax Roll** - Perform analysis to produce updated Special Tax levy that reflects the current taxable parcels, pertinent parcel information for determining taxing category and rate, and the current year's Special Tax and effective maximum tax. Produce a table of tax rates to be included with the resolution authorizing the Special Tax.
 - e. Annual Special Tax Report** – Prepare an annual report that outlines the calculation of the Special Tax levy and the utilization of Special Taxes and bond proceeds on authorized projects. The contents of the Annual Special Tax Report will meet the obligation of the DISTRICT to disclose the utilization of Special Tax and bond proceeds under Senate Bill 165.
 - f. Transmit Information to County for Application to the Secured Roll** - Produce a data file of the current year's charges in the required format and deliver to the auditor's office with a letter of authorization identifying the number and amount of the charges.
 - g. Process All Unapplied Charges** - If necessary, identify unapplied charges and research corrected parcel numbers. Resubmit under corrected assessor's parcel numbers prior to auditor's resubmittal deadline.

2. **CFD SPECIAL TAX DELINQUENCY MANAGEMENT:** Monitor Special Tax payment delinquencies and assist DISTRICT in complying with all delinquency-related bond covenants. The procedures to accomplish this include:
 - a. Obtain delinquency listings after each Special Tax installment due date from the County.
 - b. Prepare a detailed report after each installment payment due date outlining the aggregate delinquency level and listing each individual delinquent property owner.
 - c. Cause to be mailed a letter informing the delinquent property owner(s) of their current delinquency status.
 - d. Obtain a delinquency listing after the close of the fiscal year from the County.
 - e. Prepare a detailed report at the close of each fiscal year outlining the aggregate delinquency level and listing each individual delinquent property owner.
 - f. Cause to be mailed a delinquency demand letter to delinquent property owner(s) informing said property owners of their current delinquency status.
 - g. In situations where debt has been issued and covenants exist regarding delinquencies, inform the DISTRICT and/or it's Counsel of the procedural steps that must be followed if any delinquency continues, and identify all of the steps that have taken place as of that time.
3. **CFD SPECIAL TAX INQUIRIES:** Respond to all inquiries made by staff, property owners or developers related to the Special Tax. The response to each inquiry will be initiated within one business day of receipt of such inquiry. The inquiring party will be provided with either immediate information or an estimate of when the information will be forthcoming in this 24-hour period.
4. **CFD SPECIAL TAX PREPAYMENT:** Determine the Special Tax prepayment amount for all property owners desiring to prepay their Special Tax obligation as provided for in the Rate and Method of Apportionment or applicable resolutions. The procedures to accomplish this will include the following activities:
 - a. Develop a prepayment calculation worksheet and procedure for each CFD.
 - b. Provide interested property owners with necessary forms and prepayment information.
 - c. Prepare, notarize and distribute the Notice of Special Tax Cancellation.
 - d. Identify for the property owner and DISTRICT the collection and distribution of prepayment funds and record appropriate documents with the Recorder's Office of the County.
5. **TRUSTEE/FISCAL AGENT ACCOUNT ACTIVITY TRACKING & REPORTING:** Receive account activity from the Trustee/Fiscal Agent for each CFD financing and uploaded all activity into the *CFS KeyStone* platform. Once the activity is uploaded the DISTRICT will be able to:
 - a. Track CFD revenue/funding sources that are being utilized to fund the DISTRICT's program, in a consolidated, comprehensive and cumulative system.
 - b. View CFD revenue sources individually and in a combined manner with other revenue sources.

- c. Establish and track budget categories for each authorized school project, project component, and revenue/funding source(s) associated with the CFDs.
- d. Report disbursement of funds from each CFD revenue source for each school project and each expenditure category.
- e. Track cumulative fund account activities (across fiscal years) for each CFD.

6. CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION REPORTING:

- a. Pursuant to SB 1464, the DISTRICT is required to prepare an annual report for each CFD with debt outstanding to be submitted to the California Debt and Investment Advisory Commission ("CDIAC"). The annual report will contain current information with respect to fund balances, delinquency activity and subsequent foreclosure actions, current assessed values for both developed and undeveloped property, and the withdrawal of any reserve funds to make necessary debt service payments.
- b. Pursuant to SB 1029, the DISTRICT is required to submit an Annual Debt Transparency Report ("ADTR") for every bond issued after January 1, 2017. The ADTR contains information regarding the amount of bonds issued, remaining bond authorization and a listing of the expenditures of bond proceeds.

7. CFD CONTINUING DISCLOSURE COMPLIANCE: Assist the DISTRICT in complying with SEC Continuing Disclosure Regulations and the Continuing Disclosure Agreements related to CFD Bond issuances. The procedures to accomplish this will include the following activities:

- a. Provide initial and ongoing training to key staff members and the Board of Trustees, if applicable, in support of the Post Issuance Policies and Procedures.
- b. Acquire and Compile data required by Continuing Disclosure Agreements.
- c. Prepare annual reports as required by the Continuing Disclosure Agreements.
- d. No later than fifteen (15) days prior to each filing, annual reports will be provided to the Dissemination Agent (if any) or posted directly to the Municipal Securities Rule Making Boards, Electronic Municipal Market Access System (<http://emma.msrb.org>).
- e. Assist DISTRICT in reporting Significant Events as defined by the Continuing Disclosure Agreements.

FEE SCHEDULE

The DISTRICT agrees to pay, and the CONSULTANT agrees to receive as full compensation for the rendering of the services associated with Community Facility District Annual Administration Services, as described above, based on the annual fee schedule below:

1. **ANNUAL FEE:** All CFDs which levy a Special Tax each year shall be subject to an annual flat fee based on the table below.

COMMUNITY FACILITIES DISTRICT	DEVELOPMENT UNDER CONSTRUCTION	DEVELOPMENT BUILD-OUT	EXPENSES
CFD No. 90-1	NA	\$7,200	Not to Exceed \$1,000 per CFD ¹
CFD No. 99-1	NA	\$8,000	
CFD No. 2000-1	NA	\$10,000	
CFD No. 2002-1	NA	\$10,000	
CFD No. 2004-1	NA	\$7,200	
CFD No. 2005-1	NA	\$12,000	
CFD No. 2015-1	NA	\$12,000	

¹ The amount reimbursed to CONSULTANT for out-of-pocket expenses and travel expenses shall not exceed \$1,000 per CFD annually.

In the event Special Taxes are levied in the future within CFDs not listed in the table above, the annual fee shall be determined in accordance with the table below.

NUMBER OF PARCELS	DEVELOPMENT UNDER CONSTRUCTION	DEVELOPMENT BUILD-OUT	EXPENSES
0 – 199 Parcels	\$10,000	\$8,000	Not to Exceed \$1,000 per CFD ¹
200 – 399 Parcels	\$13,000	\$10,000	
400 – 1,000 Parcels	\$15,000	\$12,000	
1,001+ Parcels	\$18,000	\$15,000	

These fees will be calculated annually and are due in four quarterly installments (September, January, March and June).