



City of Ketchum

July 5, 2022

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

Recommendation to approve Purchase Order 22111 with Skinner Fawcett for Professional Services Related to Wastewater Revenue Bond Election

Recommendation and Summary

Bond Counsel is required to assist the city with due diligence associated with the November election, as well as post-election, to issue the revenue bonds. Staff is recommending to contract with Skinner Fawcett to serve as Bond Counsel.

"I move to approve Purchase Order #22111 with Skinner Fawcett for bond counsel services"

The reasons for the recommendation are as follows:

- Time is of the essence to complete due diligence activities to meet the September 9th deadline of placing this matter on the November 8th ballot
- Skinner Fawcett has provided similar services to numerous Idaho cities and counties
- Skinner Fawcett has staff capacity to immediately partner with Zions (Financial Advisor) to review debt issuance as well as prepare the ballot language

Sustainability Impact

The treatment plant discharges into the Big Wood River. One of the major focuses of the capital improvements is to meet current and future water quality standards. The city already utilizes a water reuse approach to service irrigation needs. The plan also reviewed any opportunities to reduce the consumption of electricity.

Financial Requirement/Impact

The attached engagement letter outlines the proposed fee structure of \$4,500 associated with the development of election ordinance and other documents. Should the city issue \$12 million in debt, Skinner Fawcett would be compensated \$27,500.

Attachments

Purchase Order #22111
Engagement Letter



CITY OF KETCHUM
 PO BOX 2315 * 191 5TH ST. * KETCHUM, ID 83340
 Administration 208-726-3841 (fax) 208-726-8234

PURCHASE ORDER
 BUDGETED ITEM? ___ Yes ___ No

PURCHASE ORDER - NUMBER: 22111

To: 3836 SKINNER FAWCETT 515 SOUTH SIXTH STREET P.O. BOX 700 BOISE ID 83701-0700	Ship to: CITY OF KETCHUM PO BOX 2315 KETCHUM ID 83340
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P. O. Date	Created By	Requested By	Department	Req Number	Terms
06/30/2022	kchoma	kchoma		0	

Quantity	Description	Unit Price	Total
1.00	BOND COUNSEL FOR WW REVENUE B 65-4350-4200	30,000.00	30,000.00
	SHIPPING & HANDLING		0.00
	TOTAL PO AMOUNT		30,000.00

 Authorized Signature

SKINNER FAWCETT LLP
LAW OFFICES

RICHARD A. SKINNER
CHARLES W. FAWCETT
DENNIS GIBALA
HENRY C. RUDOLPH
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JOHN R. McDEVITT
SEAN H. COSTELLO

250 W. BOBWHITE CT., STE 240, BOISE, IDAHO 83706
POST OFFICE BOX 700, BOISE, IDAHO 83701
TELEPHONE: (208) 345-2663
FAX: (208) 345-2668
E-MAIL: jmcdevitt@skinnerfawcett.com

July 1, 2022

City of Ketchum, Idaho
191 5th Street West
Ketchum, ID 83340

Attn: Jade Riley, City Administrator

RE: City of Ketchum, Sewer Revenue Bonds, Series 2022

Ladies and Gentlemen:

At the request of the City of Ketchum, Blaine County, Idaho (the "City"), we are furnishing this letter to provide the proposed terms of our engagement as bond counsel for the above referenced bonds (the "Bonds") to be issued by the City, subject to voter approval, to: (i) finance the acquisition and construction of certain improvements to the City's Sewer System (the "System"), and (ii) pay the costs of issuance of the Bonds. This letter will serve to set forth the scope of our proposed services and the estimated fees and expenses for those anticipated services. We understand that the Bonds will be issued in an aggregate amount of up to approximately \$12,000,000.

Based on our understanding of this financing, we are prepared to furnish bond counsel services to the City, as our client, which services will include the preparation of an election ordinance, official action resolution, and one or more bond ordinances; conferences with representatives of the City, as necessary; preparation and arrangements for proceedings for authorization, sale and issuance of the Bonds; consultations with the financial advisor, underwriter, if any, the City and its attorney and consultants regarding issuance of the Bonds; preparation of the Bonds for delivery; preparation of closing documents; subject to our review of the proceedings and in reliance on the opinion of your City attorney, the rendering of final approving opinions as to the validity of the Bonds and tax-exemption of interest thereon; and, the preparation and forwarding of final transcripts of the bond documents.

Please note that our description for services does not include preparation of any offering literature for the Bonds or litigation proceedings without a separate agreement for those matters. Our engagement with respect to each issue of Bonds will end at the closing of each transaction unless additional arrangements are made in writing.

Our bond opinion(s) will be based on facts and law existing as of the date of each opinion. In rendering our bond opinion(s), 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 Bonds. During the course of this engagement, we will rely on the City to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds and their security.

Our fees for the above-described bond counsel services for this financing are provided below:

1. **Bond Counsel Fees for 2022 Special Bond Election:** We currently estimate that our fees to prepare the election ordinance, proposed ballot and the necessary notices and other election documents will be up to \$4,500. If any unforeseen or unusual details and/or difficulties arise in the process of preparing for the special bond election, additional fees may then become necessary above the estimated fees quoted above. However, any such necessary fee adjustment would first be discussed and confirmed with the City if those potential circumstances ever become evident to us.
2. **Bond Counsel Fees for each series of City Sewer Revenue Bonds:** For our bond counsel services relating to the issuance of up to two (2) separate series of Bonds in the aggregate principal amount of up to approximately \$12,000,000, we currently estimate that our fees for the first bond issue will be \$27,500 and, if a second bond issue is necessary, \$22,500 for the second bond issue. These fees are estimates and depend upon the exact nature and structure of each financing. Also, the cost of any bond trustee or paying agent services, rating agency fees, and similar items, if any, are not our responsibility. If any now unforeseen or unusual details and/or difficulties arise in the course of the bond transaction, or if the proposed structure of the Bond transaction is changed, or if a considerable period of time expires (e.g., one or more years from the commencement of preparing the bond documents for each separate issue of Bonds) before the financing closes, additional fees may then become necessary above the estimated fees quoted above. However, any such necessary fee adjustment would first be discussed and confirmed with the City if those potential circumstances ever become evident to us.

The above bond counsel fees relating to the 2022 special bond election and the first issue of the Bonds may be deferred and paid out of the proceeds of the first issue of Bonds no later than the date of bond closing. Thereafter, the above bond counsel fees relating to the issuance of the second series of Bonds, if necessary, may be deferred and paid out of the proceeds of such additional series of Bonds no later than the date of such bond closing. If any of the Bonds are not issued for any reason, then we will be compensated by the City for our services actually rendered, plus any out-of-pocket expenses incurred to that date subject to the above maximums.

City of Ketchum
July 1, 2022
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Assuming the above arrangements are acceptable, please execute acknowledgment below and return the same to us. We look forward to working with the City to complete a successful financing.

Sincerely,

SKINNER FAWCETT LLP

JOHN R. McDEVITT

Accepted this _____ day of July, 2022, by an authorized representative of the City of Ketchum, Blaine County, Idaho.

By: _____
Title: _____