

MEMORANDUM

TO: MAYOR JENSEN AND BOROUGH ASSEMBLY
FROM: KARL HAGERMAN, UTILITY DIRECTOR 
SUBJECT: PMPL CAPITAL PROJECT BOND ISSUANCE – BOND ATTORNEY ENGAGEMENT
DATE: 6/16/2021
CC: STEVE GIESBRECHT, BOROUGH MANAGER
DEBRA THOMPSON, BOROUGH CLERK

Please find in the Assembly packet an engagement letter from Stradling, Yocca, Carlson and Rauth (dba Stradling) in regard to bond counsel services. As the Borough's former bond counsel has retired and there is a need to proceed on preparations of documents for a prospective bond issuance to finance the Blind Slough Hydroelectric project and additional diesel standby generation for the PMPL system (potentially), Finance Director Tow and I have reached out to Stradling due to their good reputation and their effective work for SEAPA and the City of Ketchikan.

Assembly approval of the engagement letter will allow Borough staff to work with Alice Ostdiek as we introduce an ordinance for putting a revenue bond issue on the fall ballot.

At this time, the total cost of the engagement is not certain, but from the fee schedule contained in the letter, it is anticipated that the cost for these services will be approximately \$25,000. The compensation for Stradling's work will not be invoiced until the bonds are sold. If no bond sale occurs, the Borough is not liable for payments to Stradling.

Thank you for your consideration.