



RESOLUTION No. 22-593

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION APPROVING A CONTRACT BETWEEN THE COUNTY OF NEVADA AND KNN PUBLIC FINANCE, LLC (“KNN”) TO SERVE AS THE COUNTY’S MUNICIPAL ADVISOR IN CONNECTION WITH THE ISSUANCE OF DEBT OBLIGATIONS FOR THE CAPITAL CONSTRUCTION IMPROVEMENT PROJECT AT THE EXISTING MCCOURTNEY ROAD TRANSFER STATION (MRTS) IN NEVADA COUNTY, FOR A MAXIMUM AMOUNT OF \$76,500.00, FOR THE PERIOD OF OCTOBER 12, 2022 THROUGH FEBRUARY 28, 2023, AND AUTHORIZING THE CHAIR OF THE BOARD OF SUPERVISORS TO EXECUTE THE CONTRACT AND DIRECTING THE AUDITOR-CONTROLLER TO AMEND THE COUNTY EXECUTIVE OFFICE BUDGET FOR THE FISCAL YEAR 2022/23 (4/5 AFFIRMATIVE VOTE REQUIRED)

WHEREAS, on October 25, 2022, the Nevada County Board of Supervisors adopted Resolution No. 22-559 directing County staff to pursue different public and private financing options to finance the costs of acquiring certain public facilities and improvements, consisting of a solid waste acceptance, transfer and/or processing facility and related equipment and fixtures via the McCourtney Road Transfer Station Improvement Project (“Project”); and

WHEREAS, the County of Nevada intends to finance the acquisition of the Project or portions of the Project with the proceeds of the sale of obligations (“Obligations”); and

WHEREAS, Resolution No. 22-559 authorized the reimbursement of project costs incurred prior to the issuance of the Obligations with proceeds of the Obligations including the costs of the proposed contract; and

WHEREAS, the Obligations may be issued through the direct sale of the Obligations by the County to a private financial institution, or through the public offering of the Obligations; and

WHEREAS, the contract between the County of Nevada and KNN Public Finance, LLC would facilitate the process of securing funding for the Project utilizing private financing sources through a bank or other commercial lender; and

WHEREAS, staff negotiated the scope and the price of the contract not to exceed \$76,500.00; and

WHEREAS, the contract term is from October 12, 2022, to February 28, 2023; and

WHEREAS, in all other respects the prior Agreement of the parties shall remain in full force and effect.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Supervisors of the County of Nevada, State of California, that the Personal Services Contract between the County of Nevada and KNN Public Finance, LLC ("KNN") pertaining to serving as the County's Municipal Advisor in securing private funding for the capital construction improvement project at the McCourtney Road Transfer Station (MRTS), in the amount of \$76,500.00, for the contract term of October 12, 2022 through February 28, 2023, is hereby approved in substantially the form attached hereto, and that the Chair of the Board of Supervisors is authorized to execute the Contract on behalf of the County of Nevada, and directs the Auditor-Controller to amend the County Executive Office Fiscal Year 2022/23 Budget as follows.

Increase:

0101-10103-271-1000 / 470200:	\$76,500
0101-10103-271-1000 / 521520:	\$76,500

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 6th day of December, 2022, by the following vote of said Board:

Ayes: Supervisors Heidi Hall, Edward Scofield, Dan Miller, Susan K. Hoek and Hardy Bullock.
Noes: None.
Absent: None.
Abstain: None.

ATTEST:

JULIE PATTERSON HUNTER
Clerk of the Board of Supervisors

By: 


Susan K. Hoek, Chair

12/6/2022 cc: CEO*
AC* (Hold)

12/28/2022 cc: CEO*
AC*(Release)
KNN*

Administering Agency: Nevada County Executive Office

Contract No. _____

Contract Description: **Financial Advisory and Transaction Services for MRTS Finance Funding**
PROFESSIONAL SERVICES CONTRACT

THIS PROFESSIONAL SERVICES CONTRACT ("Contract") is made at Nevada City, California, as of October 12, 2022 by and between the County of Nevada, ("County"), and KNN Public Finance, LLC ("Contractor") (together, "Parties", individual "Party"), who agree as follows:

1. **Services** Subject to the terms and conditions set forth in this Contract, Contractor shall provide the services described in Exhibit A. Contractor shall provide said services at the time, place, and in the manner specified in Exhibit A.
2. **Payment** County shall pay Contractor for services rendered pursuant to this Contract at the time and in the amount set forth in Exhibit B. The payments specified in Exhibit B shall be the only payment made to Contractor for services rendered pursuant to this Contract. Contractor shall submit all billings for said services to County in the manner specified in Exhibit B; or, if no manner be specified in Exhibit B, then according to the usual and customary procedures which Contractor uses for billing clients similar to County. **The amount of the contract shall not exceed seventy six thousand five hundred Dollars (\$76,500.00).**
3. **Term** This Contract shall commence on October 12, 2022. All services required to be provided by this Contract shall be completed and ready for acceptance no later than the **Contract Termination Date** of: February 28, 2023.
4. **Facilities, Equipment and Other Materials** Contractor shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Contract.
5. **Exhibits** All exhibits referred to herein and attached hereto are incorporated herein by this reference.
6. **Electronic Signatures** The Parties acknowledge and agree that this Contract may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed or emailed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature.
7. **Time for Performance** Time is of the essence. Failure of Contractor to perform any services within the time limits set forth in Exhibit A, or elsewhere in this Contract, shall constitute material breach of this contract. Contractor shall devote such time to the performance of services pursuant to this Contract as may be reasonably necessary for the satisfactory performance of Contractor's obligations pursuant to this Contract. Neither Party shall be considered in default of this Contract to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the Party.

8. **Liquidated Damages** Liquidated Damages are presented as an estimate of an intangible loss to the County. It is a provision that allows for the payment of a specified sum should Contractor be in breach of contract. Liquidated Damages shall apply shall not apply to this contract. Liquidated Damages applicable to this contract are incorporated in Exhibit E, attached hereto.

9. **Assignment and Subcontracting** Except as specifically provided herein, the rights, responsibilities, duties and services to be performed under this Contract are personal to Contractor and may not be transferred, subcontracted, or assigned without the prior written consent of County. Contractor shall not substitute or replace any personnel for those specifically named herein or in its proposal without the prior written consent of County.

Contractor shall cause and require each transferee, subcontractor, and assignee to comply with the insurance provisions set forth herein, to the extent such insurance provisions are required of Contractor under this Contract. Failure of Contractor to so cause and require such compliance by each transferee, subcontractor, and assignee shall constitute a material breach of this Contract, and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both.

10. **Licenses, Permits, Etc.** Contractor represents and warrants to County that Contractor shall, at its sole cost and expense, obtain or keep in effect at all times during the term of this Contract, any licenses, permits, and approvals which are legally required for Contractor to practice its profession at the time the services are performed.

11. **Hold Harmless and Indemnification Contract** To the fullest extent permitted by law, each Party (the "Indemnifying Party") hereby agrees to protect, defend, indemnify, and hold the other Party (the "Indemnified Party"), its officers, agents, employees, and volunteers, free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character resulting from the Indemnifying Party's negligent act, willful misconduct, or error or omission, including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by the Indemnified Party arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of the Indemnified Party) and without limitation, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the Contract. The Indemnifying Party agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the Indemnifying Party, using legal counsel approved in writing by Indemnified Party. Indemnifying Party also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against either Party or to enlarge in any way either Party's liability but is intended solely to provide for indemnification of the Indemnified Party from liability for damages, or injuries to third persons or property, arising from or in connection with Indemnifying Party's performance pursuant to this Contract. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this Contract.

12. **Standard of Performance** Contractor shall perform all services required pursuant to this Contract in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged in the geographical area in which Contractor practices its profession. All products of whatsoever nature which Contractor delivers to County pursuant to this Contract shall be prepared in a substantial first class and workmanlike manner and conform to the standards or quality normally observed by a person practicing in Contractor's profession.

13. **Contractor without additional compensation** Contractor's personnel, when on County's premises and when accessing County network remotely, shall comply with County's regulations regarding security, remote access, safety and professional conduct, including but not limited to Nevada County Security Policy NCSP-102 Nevada County External User Policy and Account Application regarding data and access security. Contractor personnel will solely utilize County's privileged access management platform for all remote access support functions, unless other methods are granted in writing by County's Chief Information Officer or his/her designee.
14. **Prevailing Wage and Apprentices** To the extent made applicable by law, performance of this Contract shall be in conformity with the provisions of California Labor Code, Division 2, Part 7, Chapter 1, commencing with section 1720 relating to prevailing wages which must be paid to workers employed on a public work as defined in Labor Code section 1720, et seq., and shall be in conformity with Title 8 of the California Code of Regulations section 200 et seq., relating to apprenticeship. Where applicable:
- Contractor shall comply with the provisions thereof at the commencement of services to be provided herein, and thereafter during the term of this Contract. A breach of the requirements of this section shall be deemed a material breach of this contract. Applicable prevailing wage determinations are available on the California Department of Industrial Relations website at <http://www.dir.ca.gov/OPRL/PWD>.
 - Contractor and all subcontractors must comply with the requirements of Labor Code section 1771.1(a) pertaining to registration of contractors pursuant to section 1725.5. Registration and all related requirements of those sections must be maintained throughout the performance of the Contract.
 - Contracts to which prevailing wage requirements apply are subject to compliance monitoring and enforcement by the Department of Industrial Relations. Contractor and each subcontractor must furnish certified payroll records to the Labor Commissioner at least monthly.
 - County is required to provide notice to the Department of Industrial Relations of any public work contract subject to prevailing wages within five (5) days of award.
15. **Accessibility** It is the policy of County that all County services, programs, meetings, activities and facilities shall be accessible to all persons, and shall comply with the provisions of the Americans With Disabilities Act and Title 24, California Code of Regulations. To the extent this Contract shall call for Contractor to provide County contracted services directly to the public, Contractor shall certify that said direct services are and shall be accessible to all persons.
16. **Nondiscriminatory Employment** Contractor shall not discriminate in its employment practices because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, sex or sexual orientation, or any other legally protected category, in contravention of the California Fair Employment and Housing Act, Government Code section 12900 et seq.
17. **Drug-Free Workplace** Senate Bill 1120, (Chapter 1170, Statutes of 1990), requires recipients of State grants to maintain a "drug-free workplace". Every person or organization awarded a contract for the procurement of any property or services shall certify as required under Government Code Section 8355-8357 that it will provide a drug-free workplace.
18. **Political Activities** Contractor shall in no instance expend funds or use resources derived from this Contract on any political activities.

19. **Financial, Statistical and Contract-Related Records:**

- 20.1. **Books and Records** Contractor shall maintain statistical records and submit reports as required by County. Contractor shall also maintain accounting and administrative books and records, program procedures and documentation relating to licensure and accreditation as they pertain to this Contract. All such financial, statistical and contract-related records shall be retained for five (5) years or until program review findings and/or audit findings are resolved, whichever is later. Such records shall include but not be limited to bids and all supporting documents, original entry books, canceled checks, receipts, invoices, payroll records, including subsistence, travel and field expenses, together with a general ledger itemizing all debits and credits.
- 20.2. **Inspection** Upon reasonable advance notice and during normal business hours or at such other times as may be agreed upon, Contractor shall make all of its books and records, including general business records, available for inspection, examination or copying, to County, or to the State Department of Health Care Services, the Federal Department of Health and Human Services, the Controller General of the United States and to all other authorized federal and state agencies, or their duly authorized representatives.
- 20.3. **Audit** Contractor shall permit the aforesaid agencies or their duly authorized representatives to audit all books, accounts or records relating to this Contract, and all books, accounts or records of any business entities controlled by Contractor who participated in this Contract in any way. All such records shall be available for inspection by auditors designated by County or State, at reasonable times during normal business hours. Any audit may be conducted on Contractor's premises or, at County's option, Contractor shall provide all books and records within fifteen (15) days upon delivery of written notice from County. Contractor shall promptly refund any moneys erroneously charged and shall be liable for the costs of audit if the audit establishes an over-charge of five percent (5%) or more of the **correct amount** owed during the audit period.

20. **Termination**

- A. A material breach, as defined pursuant to the terms of this Contract or otherwise, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to immediately suspend payments hereunder, or terminate this Contract, or both, without notice.
- B. If Contractor fails to timely provide in any manner the services materials and products required under this Contract, or otherwise fails to promptly comply with the terms of this Contract, or violates any ordinance, regulation or other law which applies to its performance herein, County may terminate this Contract by giving **five (5) calendar days written notice to Contractor**.
- C. Either Party may terminate this Contract for any reason, or without cause, by giving **thirty (30) calendar days written notice** to the other, which notice shall be sent by registered mail in conformity with the notice provisions, below. In the event of termination not the fault of Contractor, Contractor shall be paid for services performed to the date of termination in accordance with the terms of this Contract. Contractor shall be excused for failure to perform services herein if such performance is prevented by acts of God, strikes, labor disputes or other forces over which Contractor has no control.
- D. County, upon giving **thirty (30) calendar days written notice** to Contractor, shall have the right to terminate its obligations under this Contract at the end of any fiscal year if County or the State of California, as the case may be, does not appropriate funds sufficient to discharge County's obligations coming due under this contract.

In the event this Contract is terminated:

- 1) Contractor shall deliver copies of all writings prepared by it pursuant to this Contract. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, photostating, photographing, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.
- 2) County shall have full ownership and control of all such writings delivered by Contractor pursuant to this Contract.
- 3) County shall pay Contractor the reasonable value of services rendered by Contractor to the date of termination pursuant to this Contract not to exceed the amount documented by Contractor and approved by County as work accomplished to date; provided, however, that in no event shall any payment hereunder exceed the amount of the Contract specified in Exhibit B, and further provided, however, County shall not in any manner be liable for lost profits which might have been made by Contractor had Contractor completed the services required by this Contract. In this regard, Contractor shall furnish to County such financial information as in the judgment of County is necessary to determine the reasonable value of the services rendered by Contractor. The foregoing is cumulative and does not affect any right or remedy, which County may have in law or equity.

Intellectual Property Contractor will not publish or transfer any materials produced or resulting from activities supported by this Contract without the express written consent of County. All reports, original drawings, graphics, plans, studies and other data and documents, in whatever form or format, assembled or prepared by Contractor or Contractor's subcontractors, consultants, and other agents in connection with this Contract are "works made for hire" (as defined in the Copyright Act, 17 U.S.C. Section 101 et seq., as amended) for County, and Contractor unconditionally and irrevocably transfers and assigns to County all right, title, and interest, including all copyrights and other intellectual property rights, in or to the "works made for hire." Unless required by law, Contractor shall not publish, transfer, discuss, or disclose any of the above-described works made for hire or any information gathered, discovered, or generated in any way through this Contract, without County's prior express written consent. To the extent County provides any of its own original photographs, diagrams, plans, documents, information, reports, computer code and all recordable media together with all copyright interests thereto, to Contractor during this Contract, such information shall remain the property of County, and upon fifteen (15) days demand therefor, shall be promptly delivered to County without exception.

21. **Waiver** One or more waivers by one Party of any major or minor breach or default of any provision, term, condition, or covenant of this Contract shall not operate as a waiver of any subsequent breach or default by the other Party.
22. **Conflict of Interest** Contractor certifies that no official or employee of County, nor any business entity in which an official of County has an interest, has been employed or retained to solicit or aid in the procuring of this Contract. In addition, Contractor agrees that no such person will be employed in the performance of this Contract unless first agreed to in writing by County. This includes prior Nevada County employment in accordance with County's Personnel Code.
23. **Entirety of Contract** This Contract contains the entire Contract of County and Contractor with respect to the subject matter hereof, and no other contract, statement, or promise made by any Party, or to any employee, officer or agent of any Party, which is not contained in this Contract, shall be binding or valid.
24. **Alteration** No waiver, alteration, modification, or termination of this Contract shall be valid unless made in writing and signed by all Parties, except as expressly provided in Section 20, Termination.

25. **Governing Law and Venue** This Contract is executed and intended to be performed in the State of California, and the laws of that State shall govern its interpretation and effect. The venue for any legal proceedings regarding this Contract shall be the County of Nevada, State of California. Each Party waives any federal court removal and/or original jurisdiction rights it may have.
26. **Compliance with Applicable Laws** Contractor and any subcontractors shall comply with any and all federal, state and local laws, codes, ordinances, rules and regulations which relate to, concern of affect the services or type of services to be provided by this Contract.
27. **Additional Contractor Responsibilities**
- A. To the extent Contractor is a mandated reporter of suspected child and/or dependent adult abuse and neglect, it shall ensure that its employees, agents, volunteers, subcontractors, and independent contractors are made aware of, understand, and comply with all reporting requirements. Contractor shall immediately notify County of any incident or condition resulting in injury, harm, or risk of harm to any child or dependent adult served under this Contract.
 - B. Contractor will immediately notify County of any active complaints, lawsuits, licensing or regulatory investigations, reports of fraud or malfeasance, or criminal investigations regarding its operations. Contractor agrees to work cooperatively with County in response to any investigation commenced by County with regard to this Contract or the clients served herein, including providing any/all records requested by County related thereto.
 - C. Contractor shall employ reasonable background check procedures on all employees, prospective employees, volunteers and consultants performing work involving direct contact with minor children or dependent adults under this Contract, including fingerprinting and criminal records checks, sexual offender registry checks, and reference checks, including both personal and professional references.
28. **Confidentiality** Contractor, its employees, agents and or subcontractors may come in contact with documents that contain information regarding matters that must be kept confidential by County, including personally identifiable patient or client information. Even information that might not be considered confidential for the usual reasons of protecting non-public records should be considered by Contractor to be confidential.

Contractor agrees to maintain confidentiality of information and records as required by applicable federal, state, and local laws, regulations and rules and recognized standards of professional practice.

Notwithstanding any other provision of this Contract, Contractor agrees to protect the confidentiality of any confidential information with which Contractor may come into contact in the process of performing its contracted services. This information includes but is not limited to all written, oral, visual and printed patient or client information, including but not limited to: names, addresses, social security numbers, date of birth, driver's license number, case numbers, services provided, social and economic conditions or circumstances, agency evaluation of personal information, and medical data.

Contractor shall not retain, copy, use, or disclose this information in any manner for any purpose that is not specifically permitted by this Contract. Violation of the confidentiality of patient or client information may, at the option of County, be considered a material breach of this Contract.

29. **Notification** Any notice or demand desired or required to be given hereunder shall be in writing and deemed given when personally delivered or deposited in the mail, postage prepaid, and addressed to the Parties as follows:

COUNTY OF NEVADA:

Nevada County
County Executive Office
Address: 950 Maidu Ave

City, St, Zip Nevada City, CA 95959
Attn: Martin Polt
Email: martin.polt@nevadacountyca.gov
Phone: 530-265-7040

CONTRACTOR:

KNN Public Finance, LLC

Address 2054 University Ave, Suite
300
City, St, Zip Berkeley, CA 94704
Attn: David Leifer
Email: dleifer@knninc.com
Phone: 510-208-8264

Any notice so delivered personally shall be deemed to be received on the date of delivery, and any notice mailed shall be deemed to be received five (5) days after the date on which it was mailed.

Authority: All individuals executing this Contract on behalf of Contractor represent and warrant that they are authorized to execute and deliver this Contract on behalf of Contractor.

IN WITNESS WHEREOF, the Parties have executed this Contract to begin on the Effective Date.

COUNTY OF NEVADA: Susan Hoek Date: 12/28/2022
By: Susan Hoek (Dec 28, 2022 07:28 PST)

Printed Name/Title: Honorable Susan Hoek, Chair, of the Board of Supervisors

By: Julie Patterson Hunter

Attest: Julie Patterson Hunter, Clerk of the Board of Supervisors

Approved as to Form – County Counsel:

By: KElliott Date: 12/28/2022
KElliott (Dec 28, 2022 08:30 PST)

CONTRACTOR: **KNN Public Finance, LLC**
By: David Leifer Date: 12/26/2022
David Leifer (Dec 26, 2022 08:44 PST)

Name: David Leifer

* Title: Sr. Managind Director

****If Contractor is a corporation, this Contract must be signed by two corporate officers; one of which must be the secretary of the corporation, and the other may be either the President or Vice President, unless an authenticated corporate resolution is attached delegating authority to a single officer to bind the corporation (California Corporations Code Sec. 313).***

Exhibits

- A. [Schedule of Services](#)
 - B. [Schedule of Charges and Payments](#)
 - C. [Insurance Requirements](#)
 - D. [Disclosures](#)
- Summary [Page](#)

EXHIBIT A

Scope of Services for 2023 Bonds

Contractor shall provide the following transaction services related to the acquisition of County's 2023 Bonds for the financial support of future capital construction of the McCourtney Road Transfer Station (MRTS) Project. Such services may include, but are not necessarily limited to:

- Assist County in selection of financing team members, and negotiation of professional fees, as necessary.
- Create and manage the Financing Schedule and Distribution List.
- Draft lender term sheet solicitation document.
- Conduct lender solicitation, including outreach to potential lenders and summary of responses.
- Prepare debt service analysis under alternative market, term and structure scenarios.
- Develop plan of finance and prepare DBC debt service schedules, including alternative debt service structures.
- Negotiate key terms and provisions with selected lender and lender's counsel.
- Assist in review of all financing and legal documents.
- Assist in the determination of key parameters and good faith estimates for County Board of Supervisors Resolution.
- Present financing to County Board of Supervisors, if requested.
- Coordinate closing activities, including drafting Closing Wiring Instructions Memorandum.
- Prepare a post-sale closing memorandum.

The Contractor proposes a fixed transaction fee of \$75,000 for municipal advisor services, assuming a tax-exempt direct purchase method of sale via a commercial bank lender. This proposed fee amount reflects several key considerations. First, the Contractor will work with County staff to summarize the key credit features of the parcel tax repayment source and take the lead in preparing the lender request for proposals. Second, the team will run the process of soliciting bids from potential direct purchase lenders, not requiring the County to hire a placement agent for this role. Third, the Contractor will negotiate key business terms and conditions with the lender on behalf of the County. Finally, the Contractor will work with the County and Bond Counsel through any additional tax or private use issues concerning the use of proceeds. The Contractor recognizes the County's desire to complete this financing by February 2023 and will dedicate the firm resources necessary to meet this goal.

In addition to the proposed transaction fee range, Contractor requests to be reimbursed for actual expenses incurred, with a not-to-exceed cap of \$1,500 for the 2023 Bonds. The Contractor's fees are payable from financing proceeds and are contingent upon the successful closing of the transaction. Our proposed fees assume the closing of the financing by the end of February 2023, consistent with the County's needs.

EXHIBIT B

SCHEDULE OF CHARGES AND PAYMENTS

Maximum Limit & Fee Schedule

Contractor's compensation shall be paid at the schedule shown below. Reimbursement of travel, lodging and miscellaneous expenses is not authorized. All expenses of Contractor, including any expert or professional assistance retained by Contractor to complete the work performed under this Contract shall be borne by Contractor unless otherwise approved by the County in writing.

The total of all payments made under this Contract shall not exceed the amount of \$76,500 as shown in Section 2 of this Contract.

Payment Schedule

Required Services	Maximum Fee
Base rate committed fees shall include the following: Prepare and manage lender solicitation, including outreach to potential lenders and summary of responses, preparing debt service analysis, conducting negotiation on County's behalf with lender(s), etc.	\$25,000
Bank direct purchase fees shall be charged and paid for should the County pursue bank direct purchase. Payment shall be due upon the successful closing of the transaction (and payable from the proceeds of the borrowing.) Services shall include the following: Provide advisory and transaction services required to complete a direct purchase transaction, including negotiation of key terms with selected lender, assist in review of all financing and legal documents, assist with presentation to County Board of Supervisors as needed, coordinate closing activities, etc.	\$50,000
Reimbursement for actual expenses incurred.	\$1,500

Invoices

Invoices shall be submitted to County in a form and with sufficient detail as required by County. Work performed by Contractor will be subject to final acceptance by County project manager(s).

Submit all invoices to:

Nevada County Executive Office
Address: 950 Maidu Ave
City, St, Zip Nevada City, CA 95959
Attn: Martin Polt
Email: martin.polt@nevadacountyca.gov
Phone: 530-265-7040

County will make payment within thirty (30) days after the billing is received and approved by County and as outlined below

Unless otherwise agreed to by County, all payments owed by County to Contractor under this Contract shall be made by Automated Clearing House ("ACH"). In the event County is unable to release payment by ACH Contractor agrees to accept payment by County warrant.

EXHIBIT C

INSURANCE REQUIREMENTS

Insurance. Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Contractor, its agents, representatives, or employees. Coverage shall be at least as broad as:

1. **Commercial General Liability CGL:** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Workers' Compensation:** Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.
3. **Professional Liability (Errors and Omissions):** Insurance covering **financial malpractice** with limit no less than **\$2,000,000** per occurrence or claim, **\$2,000,000** aggregate.

If Contractor maintains broader coverage and/or higher limits than the minimums shown above, County requires and shall be entitled to the broader coverage and/or the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to County.

Other Insurance Provisions:

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured Status: County, its officers, employees, agents, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of the work or operations performed by or on behalf of Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 25, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used.)
2. **Primary Coverage** For any claims related to this contract, **Contractor's insurance shall be primary** insurance primary coverage at least as broad as ISO CG 20 01 04 13 as respects County, its officers, employees, agents, and volunteers. Any insurance or self-insurance maintained by County, its officers, employees, agents, and volunteers shall be excess of Contractor's insurance and shall not contribute with it.
3. **Notice of Cancellation** This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to County.
4. **Waiver of Subrogation** Contractor hereby grants to County a waiver of any right to subrogation which any insurer or said Contractor may acquire against County by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not County has received a waiver of subrogation endorsement from the insurer.

5. **Sole Proprietors** If Contractor is a Sole Proprietor and has no employees, they are not required to have Workers Compensation coverage. Contractor shall sign a statement attesting to this condition, and shall agree they have no rights, entitlements or claim against County for any type of employment benefits or workers' compensation or other programs afforded to County employees.
6. **Deductible and Self-Insured Retentions** Deductible and Self-insured retentions must be declared to and approved by County. County may require Contractor to provide proof of ability to pay losses and related investigations, claims administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or County.
7. **Acceptability of Insurers:** Insurance is to be placed with insurers authorized to conduct business in the State with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to County.
8. **Claims Made Policies** if any of the required policies provide coverage on a claims-made basis:
 - a. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - b. Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
 - c. If the coverage is canceled or non-renewed, and not replaced with another **claims-made policy form with a Retroactive Date**, prior to the contract effective date, Contractor must purchase "extended reporting" coverage for a minimum of **five (5)** years after completion of contract work.
9. **Verification of Coverage** Contractor shall furnish County with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to County before work begins. However, failure to obtain and provide verification of the required documents prior to the work beginning shall not waive Contractor's obligation to provide them. County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
10. **Subcontractors** Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that County is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a format at least as broad as CG 20 38 04 13.
11. **Special Risks or Circumstances** County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.
12. **Conformity of Coverages** If more than one policy is used to meet the required coverages, such as an umbrella policy or excess policy, such policies shall be following form with all other applicable policies used to meet these minimum requirements. For example, all policies shall be Occurrence Liability policies, or all shall be Claims Made Liability policies, if approved by County as noted above. In no cases shall the types of policies be different.
13. **Premium Payments** The insurance companies shall have no recourse against County and funding agencies, its officers, and employees or any of them for payment of any premiums or assessments under any policy issued by a mutual insurance company.
14. **Material Breach** Failure of Contractor to maintain the insurance required by this Contract, or to comply with any of the requirements of this section, shall constitute a material breach of the entire Contract.

15. **Certificate Holder** the Certificate Holder on insurance certificates and related documents should read as follows:

County of Nevada
950 Maidu Ave.
Nevada City, CA 95959

Upon initial award of the Contract to your firm, you may be instructed to send the actual documents to a County contact person for preliminary compliance review.

Certificates which amend or alter the coverage during the term of the Contract, including updated certificates due to policy renewal, should be sent directly to Contract Administrator

EXHIBIT D

DISCLOSURES PURSUANT TO MSRB RULES G-42 AND G-10

Pursuant to Municipal Securities Rulemaking Board (“MSRB”) Rule G-42, on Duties on Non-Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients which include, amongst other things, Conflicts of Interest and any Legal or Disciplinary Events of KNN Public Finance, LLC (“KNN Public Finance”) and its associated persons.

Conflicts of Interest

Other Municipal Advisor Relationships. KNN serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of another KNN client. For example, KNN serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it will to your entity, if hired. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, KNN could potentially face a conflict of interest arising from these competing client interests. KNN fulfills its regulatory duty and mitigates such conflicts through dealing honestly and with the utmost good faith with its clients.

Compensation. KNN Public Finance represents that in connection with the issuance of municipal securities, KNN Public Finance may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, KNN Public Finance hereby discloses that such contingent and/or transactional compensation may present a potential conflict of interest regarding KNN Public Finance’s ability to provide unbiased advice to enter into such transaction. This conflict of interest will not impair KNN Public Finance’s ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer.

If KNN Public Finance becomes aware of any additional potential or actual conflict of interest after this disclosure, KNN Public Finance will disclose the detailed information in writing to the Issuer in a timely manner.

Legal or Disciplinary Events

KNN Public Finance, LLC, has never been subject to any legal, disciplinary or regulatory actions nor was it ever subject to any legal, disciplinary or regulatory actions previously, when it was a division of Zions First National Bank or Zions Public Finance, Inc.

A regulatory action disclosure has been made on Form MA-I for one of KNN’s municipal advisory personnel relating to a 1998 U.S. Securities and Exchange Commission (“SEC”) order that was filed while the municipal advisor was employed with a prior firm, (not KNN Public Finance). The details of which are available in Item 9; C(1), C(2), C(4), C(5) and the corresponding regulatory action DRP section on Form MA and Item 6C; (1), (2), (4), (5) and the corresponding regulatory action DRP section on Form MA-I. Issuers may electronically access KNN Public Finance’s most recent Form MA and each most recent Form MA-I filed with the Commission at the following website:

www.sec.gov/edgar/searchedgar/companysearch.html.

The SEC permits certain items of information required on Form MA and Form MA-I to be provided by reference to such required information already filed on a regulatory system (e.g., FINRA CRD). The above noted regulatory action has been referenced on both Form MA and MA-I due to the information already filed on FINRA's CRD system and is publicly accessible through BrokerCheck at <http://brokercheck.finra.org>. For purposes of accessing such BrokerCheck information, the Municipal Advisor's CRD number is 4457537.

There has been no change to any legal or disciplinary event that has been disclosed on KNN Public Finance's original SEC registration Form MA filed on February 8, 2016 or Form MA-I's filed on January 22, 2016.

Additional Disclosures - MSRB Rule G-10

Pursuant to Municipal Securities Rulemaking Board Rule G-10, on Investor and Municipal Advisory Client Education and Protection, Municipal Advisors are required to provide certain written information to their municipal entity and obligated person clients which include the following:

- a) KNN Public Finance, LLC is currently registered as a Municipal Advisor with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board.
- b) Within the Municipal Securities Rulemaking Board ("MSRB") website at www.msrb.org, the County of Nevada may obtain the Municipal Advisory client brochure that is posted on the MSRB website. The brochure describes the protections that may be provided by the MSRB Rules along with how to file a complaint with financial regulatory authorities.

SUMMARY OF CONTRACT

Contractor Name KNN Public Finance, LLC

Description of Services Financial Advisory and Transaction Services

SUMMARY OF MATERIAL TERMS

Max Annual Price: \$76,500.00

Contract Start Date: 10/12/2022

Contract End Date: 2/28/2023

INSURANCE POLICIES

Commercial General Liability	X	(\$2,000,000)
Worker's Compensation	X	(Statutory Limits)
Professional Errors and Omissions	X	(\$2,000,000)

NOTICE & IDENTIFICATION

COUNTY OF NEVADA:

Nevada County
County Executive Office

Address: 950 Maidu Ave
City, St, Zip Nevada City, CA 95959
Attn: Martin Polt
Email: martin.polt@nevadacountyca.gov
Phone: 530-265-7040

CONTRACTOR:

KNN Public Finance, LLC

Address 2054 University Ave, Suite 300
City, St, Zip Berkeley, CA 94704
Attn: David Leifer
Email: dleifer@knninc.com
Phone: 510-208-8264

Contractor is a: (check all that apply)

- Corporation: Calif., Other, LLC,
- Non- Profit Corp
- Partnership: Calif., Other, LLP, Limited
- Person: Indiv., Db, Ass'n Other

EDD Worksheet Required

- Yes No

ATTACHMENTS

- Exhibit A:** Schedule of Services
- Exhibit B:** Schedule of Charges and Payments
- Exhibit C:** Insurance Requirements
- Exhibit D:** Disclosures