



t 405.235.3413 • f 405.235.2807
5657 N. CLASSEN BOULEVARD, SUITE 100 • OKLAHOMA CITY, OK 73118

AGREEMENT FOR SPECIAL BOND COUNSEL SERVICES

THIS AGREEMENT is entered into as of November 18, 2019, by and among THE PUBLIC FINANCE LAW GROUP PLLC (“PFLG”), THE CITY OF BROKEN ARROW, OKLAHOMA, an Oklahoma Municipal Corporation (the “City”), the BROKEN ARROW MUNICIPAL AUTHORITY, an Oklahoma Public Trust (“BAMA”) and the BROKEN ARROW ECONOMIC DEVELOPMENT AUTHORITY, an Oklahoma Public Trust (“BAEDA”) as follows:

RECITALS

WHEREAS, the City, BAMA, and BAEDA (collectively, “BROKEN ARROW”) desire to engage PFLG as special bond counsel (“Special Counsel”) to assist BROKEN ARROW for the purposes of and consultation on special projects which BROKEN ARROW may from time to time undertake. Special projects may include, not by way of limitation, the contemplated timing, terms and legal structure of proposed financings, including but not limited to general obligation bond issues, revenue bond/note issues, bond anticipation notes, lease purchase transactions, and possible grants or state and federal loan programs that may be available (collectively referred to herein as “debt obligations”), the calling of election(s) for approval of sales tax and/or issuance of debt obligations, the evaluation and structuring of economic development incentives, including impacts on existing or proposed debt obligations, or other projects as requested by BROKEN ARROW; and

WHEREAS, PFLG possesses the necessary professional capabilities and resources to provide the legal services required by BROKEN ARROW as described in this Agreement.

AGREEMENTS

1. Scope of Services.

A. *Special Counsel Services.* PFLG will render the following services as Special Counsel to BROKEN ARROW:

- (1) Consultation with representatives of BROKEN ARROW, including the City Manager, City Attorney, Finance Director, financing and accounting staff, financial advisors, and others.
- (2) Preparation and/or review of relevant authorizing documents as requested by the BROKEN ARROW.

- (3) Attendance at such meetings or hearings of BROKEN ARROW and working group meetings or conference calls as BROKEN ARROW may request, and assistance to the BROKEN ARROW staff in preparation of such explanations or presentations to the governing bodies of BROKEN ARROW as they may request.
- (4) Rendering of legal opinion(s) with respect to certain issues as requested by BROKEN ARROW.

PFLG and BROKEN ARROW acknowledge that BROKEN ARROW shall be represented by the City Attorney's Office (the "City Attorney") for the purpose of rendering day-to-day and ongoing general counsel legal services. PFLG shall circulate documents to and coordinate its services with City Attorney to the extent requested by BROKEN ARROW or the City Attorney.

PFLG and BROKEN ARROW further acknowledge that BROKEN ARROW may be represented a municipal advisor pursuant to the terms of SEC Rule 15Ba1-1, as may be selected by BROKEN ARROW from time to time (collectively, referred to herein as an "Independent Registered Municipal Advisor" or "IRMA"). PFLG is a firms of attorneys who provide legal advice or services of a traditional legal nature to a client, and PFLG and its respective attorneys do not represent themselves to be a financial advisor or financial expert. Therefore, PFLG is excluded from the definition of Municipal Advisor (as defined in SEC Rule 15Ba1-1), and PFLG does not intend to provide any advice with respect to municipal financial products or the issuance of municipal securities outside of the scope of traditional legal services and advice customarily rendered by bond counsel in public finance transactions. BROKEN ARROW has been advised that PFLG is not a municipal advisor and PFLG owes no federal statutory fiduciary duty to BROKEN ARROW.

In performing legal services under this Agreement, PFLG shall be entitled to rely on the accuracy and completeness of information provided and certifications made by, and opinions provided by counsel to, BROKEN ARROW, the Independent Registered Municipal Advisor (if applicable), property owners and other parties and consultants, without independent investigation or verification.

PFLG's services are limited to those specifically set forth above. PFLG's services do not include representation of BROKEN ARROW or any other party to a particular transaction in any litigation or other legal or administrative proceeding involving debt obligations or any other matter. PFLG's services also do not include any responsibility for compliance with state blue sky, environmental, land use, real estate or similar laws or for title to or perfection of security interests in real or personal property. PFLG will not be responsible for preparing, reviewing, or opining with respect to any Official Statement and/or any Continuing Disclosure Undertakings for the debt obligations, including but not limited to the accuracy, completeness or sufficiency of the Official Statement, Continuing Disclosure Undertaking, or other offering material relating to the debt obligations. PFLG's services do not include any financial advice or analysis. PFLG will not be responsible for the services performed or acts or omissions of any other participant. Also, with respect to each issuance of debt obligations, PFLG's services will not extend past the date of issuance of said debt obligations and will not, for example, include services related to rebate compliance or continuing disclosure or otherwise related to said debt obligations, the proceeds of said debt obligations, or the financed project after issuance of said debt obligations.

B. *Supplemental Scope of Services Agreements.* It is contemplated that the City (or its designated public trust) will engage PFLG pursuant to a separate agreement for bond counsel services in connection with the issuance of each specific debt obligation.

C. *Term of Agreement.* This Agreement shall be effective from the date of execution through June 30, 2020, and shall be automatically renewed for additional one-year periods on July 1 of each year unless terminated pursuant to Section 2.D. herein.

2. **Compensation for Special Counsel Services.**

A. PFLG shall provide Special Counsel services to BROKEN ARROW for matters relating to special projects as requested by BROKEN ARROW, with compensation for the same to be on an hourly basis as provided by Schedule 1 below, plus the expenses of PFLG to include document reproduction and binding, long distance telephone, telecopies, courier services, publication fees, filing fees, travel and similar expenses. Special projects may include, not by way of limitation, the contemplated timing, terms and legal structure of proposed debt obligations, the calling of election(s) for approval of sales tax and/or issuance of debt obligations, the evaluation and structuring of economic development incentives, including impacts on existing or proposed debt obligations, or other projects as requested by BROKEN ARROW.

Schedule 1

Hourly Fees for Special Counsel Services

<u>Title</u>	<u>Hourly Rate</u>
Senior Attorneys	\$345

B. Hourly rates as described in Schedule 1 shall be adjusted annually based on the national Consumer Price Index—Urban (CPI-U). Adjustments will occur at the beginning of each fiscal year. Each annual adjustment shall be based on the average annual CPI-U for the second preceding calendar year. For example, the annual adjustment for FY ending 2021 (starts on July 1, 2020) shall be based on the change in the average annual CPI-U from 2018 to 2019. See Schedule 2 below. Actual percentage change shall be rounded to the nearest tenth of one percent. Annual adjustments to the actual rate will be adjusted up to the nearest dollar.

Schedule 2

CPI-U Adjustment Schedule

Fiscal Year	Years Comparison
FY ending 2021	2018 & 2019
FY ending 2022	2019 & 2020
FY ending 2023	2020 & 2021
FY ending 2024	2021 & 2022
FY ending 2025	2022 & 2023
FY ending 2026	2023 & 2024
FY ending 2027	2024 & 2025

C. This Agreement shall be effective with respect to Special Counsel services provided by PFLG beginning November 18, 2019, and is subject to annual renewal and annual appropriation and encumbrance of necessary funds. The total amounts paid for Special Counsel services shall not exceed \$50,000 per fiscal year without express authorization by BROKEN ARROW.

D. This Agreement and all legal services to be rendered under it may be terminated at any time by written notice from either party, with or without cause. In that event, all finished and unfinished documents prepared for adoption or execution by BROKEN ARROW shall, at the option of BROKEN ARROW, become its property and shall be delivered to it or to any party it may designate; provided that PFLG shall have no liability whatsoever for any subsequent use of such documents. In the event of termination by BROKEN ARROW, PFLG shall be paid for all satisfactory work, unless the termination is made for cause, in which event compensation, if any, shall be adjusted in the light of the particular facts and circumstances involved in the termination. BROKEN ARROW shall, with respect to hourly rate compensation, pay PFLG for hourly work performed and expenses incurred to the date of termination. Upon termination, PFLG shall have no future duty of any kind to or with respect to any debt obligations or to BROKEN ARROW.

3. Nature of Engagement; Relationships With Other Parties.

The role of bond counsel, generally, is to prepare or review the procedures for issuance of the bonds, notes or other evidence of indebtedness and to provide an expert legal opinion with respect to the validity thereof and other subjects addressed by the opinion. Consistent with the historical origin and unique role of such counsel, and reliance thereon by the public finance market, PFLG's role under this Agreement is to provide an opinion and related legal services that represent an objective judgment on the matters addressed rather than the partisan position of an advocate.

In performing its services in connection with the issuance of debt obligations, PFLG will act as bond counsel to BROKEN ARROW with respect to issuance of debt obligations; i.e., PFLG will assist the City Attorney in representing BROKEN ARROW but only with respect to validity of the debt obligations and the Financing Documents, and the tax status of interest on the debt obligations, in a manner not inconsistent with the role of bond counsel described above.

BROKEN ARROW acknowledges that PFLG regularly performs legal services for many private and public entities in connection with a wide variety of matters. For example, PFLG has represented, is representing or may in the future represent other public entities, underwriters, trustees, rating agencies, insurers, credit enhancement providers, lenders, contractors, suppliers, financial and other consultants/advisors, accountants, investment providers/brokers, providers/brokers of derivative products and others who may have a role or interest in a debt obligation of BROKEN ARROW or a project financed by or that may be involved with or adverse to BROKEN ARROW in this or some other matter. PFLG agrees not to represent any such entity in connection with also providing Special Counsel services to BROKEN ARROW, during the term of this Agreement, without the consent of BROKEN ARROW. Given the special, limited role of bond counsel described above, BROKEN ARROW acknowledges that no conflict of interest exists or would exist, and waives any conflict of interest that might appear actually or potentially to exist, now or in the future, by virtue of this Agreement or any such other attorney-client relationship that PFLG may have had, have or enter into, and BROKEN ARROW specifically consents to any and all such relationships.

4. Limitation of Rights to Parties; Successor and Assigns.

Nothing in this Agreement or in any of the documents contemplated hereby, expressed or implied, is intended or shall be construed to give any person other than BROKEN ARROW and PFLG any legal or equitable right or claim under or in respect of this Agreement, and this Agreement shall inure to the sole and exclusive benefit of BROKEN ARROW and PFLG.

PFLG may not assign its obligations under this Agreement without written consent of BROKEN ARROW except to a successor partnership or corporation to which all or substantially all of the assets and operations of PFLG are transferred. BROKEN ARROW may assign its rights and obligations under this Agreement to (but only to) any other public entity that completes the Formation. BROKEN ARROW shall not otherwise assign its rights and obligations under this Agreement without written consent of PFLG. All references to PFLG and BROKEN ARROW in this Agreement shall be deemed to refer to any such successor of PFLG and to any such assignee of BROKEN ARROW and shall bind and inure to the benefit of such successor and assignee whether so expressed or not.

5. Counterparts.

This Agreement may be executed in any number of counterparts and each counterpart shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same Agreement.

6. Notices.

Any and all notice pertaining to this Agreement shall be sent by U.S. Postal Service, first class, postage prepaid to:

PFLG:

The Public Finance Law Group PLLC
5657 N. Classen Boulevard, Suite 100
Oklahoma City, Oklahoma 73118
Attention: Allan A. Brooks, III or Nathan D. Ellis, Esq.

CITY:

City of Broken Arrow, Oklahoma
P. O. Box 610
Broken Arrow, Oklahoma 74013-0610
Attention: City Manager

BAMA:

Broken Arrow Municipal Authority
P. O. Box 610
Broken Arrow, Oklahoma 74013-0610
Attention: Manager

BAEDA:

Broken Arrow Economic Development Authority
P. O. Box 610
Broken Arrow, Oklahoma 74013-0610
Attention: Manager

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City, BAMA, BAEDA and PFLG have executed this Agreement by their duly authorized representatives as of the date provided above.

THE PUBLIC FINANCE LAW GROUP PLLC

By: _____
Nathan D. Ellis, Esq.

**THE CITY OF BROKEN ARROW,
OKLAHOMA**

By: _____
Title: Mayor
Date: November 18, 2019

BROKEN ARROW MUNICIPAL AUTHORITY

By: _____
Title: Chairman
Date: November 18, 2019

**BROKEN ARROW ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____
Title: Chairman
Date: November 18, 2019