

**FINANCIAL ADVISORY SERVICES AGREEMENT**  
**BY AND BETWEEN**  
**THE CITY OF HASTINGS, MINNESOTA**  
**HASTINGS ECONOMIC DEVELOPMENT AND REDEVELOPMENT AUTHORITY**  
**AND**  
**NORTHLAND SECURITIES, INC.**

This Agreement made and entered into by and between the City of Hastings, Minnesota and the Hastings Economic Development and Redevelopment Authority (hereinafter, "City") and Northland Securities, Inc., of Minneapolis, Minnesota (hereinafter, "NSI").

**WITNESSETH**

WHEREAS, the City desires to use the services of NSI for activities described in the "Proposal for Financial Advisory Services" presented to the City by NSI, dated June 14, 2018.

WHEREAS, NSI desires to furnish services to the City as hereinafter described.

NOW, THEREFORE, it is agreed by and between the parties as follows:

**SERVICES TO BE PROVIDED BY NSI**

The scope of work to be provided under this Agreement is as defined in the City's Request for Proposals. The services include the following:

1. Assist the City with debt issuance and monitoring.
2. Assist the City with financial compliance and financial planning strategies.
3. Assist the City with economic development financial analysis, program development and financial reporting.
4. Attend meetings, deliver presentations, and submit products.
5. Advise the City on best practices and the development of policies and procedures.

NSI will provide a written scope of work and budget for each project engagement. From time to time, the City may at its discretion authorize NSI to undertake a project without a written scope of work and budget.

Nothing in this Agreement limits the ability of the City to separately engage NSI as underwriter for the issuance of bonds on which NSI has not previously provided advice regarding the structure, timing, terms, and other similar matters. The City may decide to use NSI for any or all of the offered services by NSI at its sole discretion.

## COMPENSATION

### Debt Issuance

Fees for debt issuance is based on the par amount of bonds issued and are as follows:

Par Amount	Fee
\$0 to \$500,000	\$7,500
\$500,001 to \$1,000,000	\$8,800
\$1,000,001 to \$2,000,000	\$10,100
\$2,000,001 to \$3,000,000	\$11,400
\$3,000,001 to \$4,000,000	\$12,700
\$4,000,001 to \$5,000,000	\$14,000
\$5,000,000 and Over	\$14,000 plus \$500/\$500,000 in excess of \$5 million

1. Fee schedule applies to the aggregate amount of debt issued that day. We do not charge extra for multiple purposes or series in a single offering.
2. Revenue Bonds are billed at 1.25 times the above fee schedule.
3. This is an “all in” fee. There are no hidden or extra fees for meetings transcript, travel, copying, mail/shipping, and official statement preparation and distribution.
4. The fee is fixed for the first two years of the contract. Thereafter, the fees will be subject to an annual adjustment based on an index of mutual agreement to the City and NSI.

### Continuing Disclosure

NSI will serve as Dissemination Agent for compliance with continuing disclosure obligations pursuant to the terms of a separate written Continuing Disclosure agreement.

### Advisory Services for Consulting Projects

NSI will establish fair and manageable arrangements for consulting projects billed on an hourly basis. For every project, NSI will provide the City with a description of work to be performed and a cost of services. NSI will not bill for costs in excess of the stated amount unless the City agrees to a revised scope of work and budget. Compensation for advisory services provided under this Agreement will be based on the rate of \$195 per hour. NSI will bill the City on a monthly basis for services performed and actual reimbursable expenses (publication, printing, and mailing). Invoices will detail the work performed, requested compensation for the period and show amounts previously billed and amount remaining under the approved budget.

NSI may seek to negotiate changes in the compensation annually on the anniversary date of this Agreement. Any changes to compensation are subject solely to the discretion of the City.

## SUCCESSORS OR ASSIGNS

The terms and provisions of this Agreement are binding upon and inure to the benefit of the City and NSI and their successors or assigns.

**DISCLAIMER**


In performing service under this Agreement, NSI is relying on the accuracy of information provided by the City and the services provided by NSI are based on current State Law. The parties agree that the Minnesota property tax system and other laws may change and may affect the accuracy and validity of services provided by NSI. NSI will perform its work using the best available information. The City recognizes and accepts that future property values, tax levies and tax rates, among other factors, may vary from the assumptions used by NSI and such changes may affect the work product produced and provided by NSI.

**TERM OF THIS AGREEMENT**

The initial term of this Agreement applies to services provided from September 4, 2018 through September 4, 2021. The City shall have the right to extend the term of this Agreement from September 4, 2021 through September 4, 2024, for a renewal term. This Agreement may be terminated by thirty (30) days written notice by either the City or NSI. In the event of early termination by the City, NSI shall provide the City with an itemized hourly statement of services already provided. All billable hours by NSI shall be billed at the stated hourly rates should early termination occur.

Dated this \_\_\_ day of \_\_\_\_\_, 2018.

**Northland Securities, Inc.**

By:   
Thomas Bartzen  
Head of Public Finance

**City of Hastings, Minnesota**

By: \_\_\_\_\_

Title \_\_\_\_\_

**Hastings Economic Development and Redevelopment Authority**

By: \_\_\_\_\_

Title \_\_\_\_\_