

Board Office Use: Legislative File Info.	
File ID Number	15-0805
Introduction Date	5-13-2015
Enactment Number	150647
Enactment Date	5/13/15 OA



OAKLAND UNIFIED
SCHOOL DISTRICT

Community Schools, Thriving Students

Memo

To Board of Education

From Vernon Hal, Senior Business Officer

Board Meeting Date May 13, 2015

Subject **RETAINER AGREEMENT WITH KNN, PUBLIC FINANCE, a division of Zions Public Finance, Inc.**

Action Requested **Ratification of RETAINER AGREEMENT WITH KNN, PUBLIC FINANCE, a division of Zions Public Finance, Inc.**

Discussion
One paragraph summary of the scope of work.

KNN provides professional financial advisor services to the District on an on-call basis and services as the District's independent registered municipal advisor as per SEC guidelines. The Agreement is for the term from January 1, 2015 to December 31, 2017, with fees shall not exceed \$15,000 per fiscal year.

Recommendation **Ratification of RETAINER AGREEMENT WITH KNN, PUBLIC FINANCE, a division of Zions Public Finance, Inc.**

Fiscal Impact Funding resource name: GP \$15,000

Attachments

- Agreement

March 31, 2015

RETAINER CONTRACT FOR ON-CALL FINANCIAL ADVISORY SERVICES

BETWEEN

OAKLAND UNIFIED SCHOOL DISTRICT AND
1000 Broadway, Suite 680
Oakland, CA 94607

KNN PUBLIC FINANCE
A Division of Zions Public Finance, Inc.
1300 Clay Street, Suite 1000
Oakland, CA 94612

We are advised that the Oakland Unified School District (the "District") wishes to retain the services of KNN Public Finance ("KNN"), a Division of Zions Public Finance, Inc., as Financial Advisor to assist the District with various responsibilities as they may arise, and serve as the District's "independent registered municipal advisor" as meant by the Securities Exchange Commission (a "Municipal Advisor"). As a division of Zions Public Finance, Inc., KNN is a registered Municipal Advisor with the Securities Exchange Commission and Municipal Securities Rulemaking Board. Zions Public Finance, Inc. is a wholly-owned subsidiary of Zions First National Bank.

KNN shall provide professional services and shall be on call and reasonably available to advise District as requested on an *ad hoc* basis on matters of municipal finance related to external financing, capital markets and appropriately related topics, including, but not limited to, among other items, tax-exempt or taxable financing on the basis of the general fund, tax increment, community facility district, assessment district and other special districts and general obligation bonds, as well as on related matters such as arbitrage rebate, continuing disclosure filing, federal, private insurance and bank credit enhancement, rating agency reviews, sale and placement of securities, continuing disclosure and investor relations. KNN's responsibilities shall include, but shall not be limited to, attending appropriate meetings of District staff and Board, in person or electronically as appropriate and mutually agreed upon, providing municipal finance and capital markets information (available to KNN) to the District verbally, electronically or in physical document as appropriate.

Services under this agreement do not include assignment as financial advisor for managing the process of structuring and bringing to market for competitive sale, negotiated sale or other placement, specific securities obligations on behalf of the District, preparation of official statements or other offering documents or managing or organizing the work of other professionals in a financing team to these various ends ("transaction management"). Any such transaction management assignment to KNN will be under separate agreement between KNN and the District specific to such financing, with KNN's resulting fee contingent and payable upon closing the financing, usually funded directly from proceeds of the financing.

Duration of Contract

This contract shall be valid and binding from January 1, 2015, through December 31, 2017. The District or KNN may terminate this contract at any time by giving 30 days written notice of termination. All written notices shall be given to the Superintendent for the District or the Managing Director of KNN. District agrees to compensate KNN for any services provided and expenses incurred up through termination date.

File ID Number: 15-2803
Introduction Date: 5/13/15
Enactment Number: 15-2647
Enactment Date: 5/13/15
By: [Signature]

Insurance

KNN maintains insurance coverage for general liability, professional liability and errors and omissions in excess of most public agency requirements.

Compensation

For financial consultant services on an on-call basis for assignments other than transaction management, we propose an annual fee of \$15,000. Such consultant fees will be billed annually on or after each January 1st.

Reimbursement for expenses: For out-of-pocket expenses for outside printing and/or copying of disclosure material, courier or delivery charges, conference call charges, obtaining statistical data from outside sources, notary and other miscellaneous expenses, KNN will invoice the District.

Indemnification

Each party (the "Indemnifying Party") shall indemnify and hold harmless the other party, its officers, directors, employees, and affiliates (collectively, the "Indemnified Party") against any claims or actions arising out of any and all claims by third parties arising out of the performance or non-performance of the Indemnifying Party's obligations under this Contract, except to the extent attributable to the negligence or willful misconduct of the Indemnified Party; provided, however, that this indemnity shall not preclude the Indemnified Party's recovery of direct damages pursuant to the terms and subject to the limitations of this Contract.

Assignment

KNN shall not assign this Agreement without the prior written consent of the District.

The following signatures indicate acceptance of the responsibilities and services described in this contract.

KNN PUBLIC FINANCE
A Division of Zions Public Finance, Inc.

By: [Signature]
Jon Armstrong
Title: Vice President

Date: March 31, 2015

ACCEPTED:

OAKLAND UNIFIED SCHOOL DISTRICT

By: [Signature]
Keith A. Johnson
Title: Chief Business Official

Date: _____

[Signature]
James Harris
President, Board of Education

[Signature]
Antwan Wilson
Secretary, Board of Education

OAKLAND UNIFIED SCHOOL DISTRICT
Office of General Counsel
APPROVED FOR FORM & SUBSTANCE
By: [Signature]
Attorney at Law