Pasadena Unified School District

351 So. Hudson Avenue
Pasadena, CA 91001

REQUEST FOR QUALIFICATIONS

No. 22-15/16

FINANCIAL ADVISORY SERVICES FOR FACILITIES MODERNIZATION PROGRAM

RFQ Issue Date:	**December 17, 2015**	
RFQ Submittal Date:	**January 15, 2016**	**2:00 PM Sharp!**

IMPORTANT INITIAL INFORMATION

Release of RFQ:		December 17, 2015
RFQ Questions / Clarifications:	(**10:00 am)**	January 7, 2016
SOQ Due Date:	**(2:00 pm)**	January 15, 2016
Announcement of Short List Firms:		January 26, 2015
Interview / Candidate Presentation to Selection Committee:		February 9, 2016
Board of Education Approval (Tentative):		February 18, 2016

SOQ Submittals Due at the PUSD Office of Procurement & Contracts:

PASADENA UNIFIED SCHOOL DISTRICT
Christine Ward, Procurement & Contracts
351 So. Hudson Ave, Room 102
Pasadena, CA. 91101

REF: RFQ # 22-15.16

1. INTRODUCTION

The intent of this Request for Qualifications ("RFQ") is to obtain information that will enable the Pasadena Unified School District (the "DISTRICT") to select a qualified firm who will provide financial advisory services to the DISTRICT related to the Measure TT Program as further described below. The DISTRICT is soliciting written Statement of Qualifications ("SOQ") from qualified firms ("CONSULTANTS") that specialize in the K-12 public educational sector to assist the DISTRICT with its financing options for its facilities modernization program. The CONSULTANT may be chosen to perform financial advisory services for the DISTRICT based upon the following:

- Ability to advise on bridge financing options and/or other possible financing options;
- Available resources at time of request for services;
- Fees proposed by CONSULTANT and negotiated by the DISTRICT;
- Specific abilities to perform the required services;
- Prior experience with this particular program type;

On November 4, 2008, the voters of the DISTRICT approved by more than 55% Measure "TT", authorizing the issuance and sale of $350,000,000 of general obligation bonds. On September 17, 2009, the DISTRICT issued Series 2012 in the amount of $125,000,000. The bonds were issued to finance the construction and modernization of school facilities and to pay costs of issuance of the bonds.

2. BACKGROUND

The DISTRICT consists of four high schools, one continuation school, three middle schools, twenty elementary schools, and three charter schools supported by a District Office and a service center facility. The DISTRICT serves approximately 20,000 students.

3. PURPOSE

The purpose of this Request for Qualifications ("RFQ") is to select a CONSULTANT who will be tasked with providing financial advisory services for the DISTRICT's facilities modernization program. The scope of work identified is not considered all-inclusive and the DISTRICT requires the selected CONSULTANT to exercise due diligence and conform to the standard of care required to execute the work. The scope of work shall be further defined in detail during the RFQ process.

4. SCOPE OF SERVICES

The scope of services shall be as follows:

- **State Eligibility and Application**:
  - Assist the DISTRICT with continuing eligibility requirements and applications for

various Office of Public School Construction (OPSC) facility programs;

- **Funding Strategy** :
  - Assist the DISTRICT in developing long and short term financing strategies;
  - Assist the DISTRICT in project funding strategies, where multiple financial streams must be incorporated to deliver the project;
- **Project Closeout and Audit Support:**
  - Assist the DISTRICT with OPSC closeouts with any new and prior projects;
- **Federal Funding**:
  - Assist the DISTRICT with the variety of Federal Facility Funding programs that are available;
- **Construction Schedule Financial Planning:**
  - Assist the DISTRICT with finding sources and mechanisms for financing in line with construction schedules and identified cash flow shortfalls;
- **Project Delivery Financial Planning:**
  - Assist the DISTRICT with determining the best project delivery method and implementations, such as, Lease-Leaseback, Design-Build, Multi-Prime, etc.;
- **General Obligation Bond Management**:
  - Provide assistance in bond sales, timing, analyze prior bond sales for opportunities in refinancing as required;
- **Real Estate Asset Management (optional)**:
  - Assist the DISTRICT with management of real estate assets and acquisition of real estate, if identified;
  - Assist the DISTRICT on any possible arbitrage and tax issues, if necessary (optional).

The CONSULTANT may also be required to complete other financing studies as may be needed from time to time as determined by the DISTRICT to assist the DISTRICT in its financial requirements for the bond program.

5. DISTRICT GUIDELINES AND EXPECTATIONS

The DISTRICT reserves the right to make the selection of the CONSULTANT based on the criteria established in this RFQ and other criteria as determined by the interview committee. The selected CONSULTANT may be awarded additional work at the DISTRICT's discretion.

SOQ Submittal Deadline for Full Consideration: No later than 2:00 PM on January 15, 2016. ***SOQs received after the 2:00 PM deadline will be rejected.***

RFQ Sections 7, 8 and 9 below describe the selection process and SOQ submittal format and content requirements.

All requests for clarification or interpretation, either administrative or technical, must be submitted via e-mail to Christine Ward, Administrator, Procurement & Contracts, at ward.christine@pusd.us no later than **10:00 AM on January 7, 2016**. Any questions received after the 10:00 AM deadline will not be addressed. Questions via telephone will not be accepted.

The DISTRICT prohibits CONSULTANTS from communicating with the DISTRICT's Board Members or any other Administrator or staff personnel not listed above. If a CONSULTANT communicates with a DISTRICT Board Member or any other Administrator not listed above, the CONSULTANT shall be disqualified from the RFQ and/or contract award process.

The DISTRICT shall distribute its responses to requests for clarification or interpretation by posting them on its website at http://measurett.org or by other reasonable means. The responses will be posted on the DISTRICT website **at 2:00 PM on January 11, 2016**.

In the spirit of total transparency, the DISTRICT requires each CONSULTANT to include in its SOQ a Financial Interest Certification stating that no employee of the CONSULTANT has or has had any financial interest or business relationship with the DISTRICT's Board Members or any DISTRICT staff. By submitting this certification, each CONSULTANT agrees to the posting of this information to the public in connection with the CONSULTANT's SOQ (refer to Attachment "1").

The DISTRICT has also included a sample copy of its standard Professional Services Agreement for Financial Advisory Services as Attachment "2". The fee, final work scope and deliverables schedule is subject to negotiation between the DISTRICT and the selected CONSULTANT. Notwithstanding the negotiation of the fee, final work scope and deliverables, the successful CONSULTANT will be required to execute the attached Professional Services Agreement.

The DISTRICT may elect, at any time, to amend any contract awarded under this RFQ to require the selected CONSULTANT to provide additional services. In such a case, the selected CONSULTANT and the DISTRICT shall mutually agree on the scope and fees associated with any additional services.

6. MINIMUM QUALIFICATIONS

Each CONSULTANT must have the following minimum qualifications in order to proceed to the evaluation/interview phase:

- Minimum of five (5) years' experience in providing financial advisory services for educational projects (K-12):
    - Provide samples of bond financing programs completed in the last five (5) years;
- Experience in providing financial advisory services with similar bond size, type and difficulty to that of the DISTRICT's Measure TT Bond Program:
    - Prime consideration shall be given to CONSULTANTS with relevant experience in this area;
- Proven ability to resolve specific challenges that bond programs present:
    - Describe how challenges were resolved in the past (i.e. funding deadlines, OPSC challenges, etc.).

Please be sure to consider these minimum qualifications before submitting your SOQ. The DISTRICT will reject any SOQs that do not meet the above minimum requirements.

7. SELECTION PROCESS – RFQ SCHEDULE

A. PROCESS OVERVIEW

This RFQ has a two (2) part selection process:

Part 1: Each CONSULTANT must submit the SOQ in strict accordance with this RFQ. The DISTRICT shall evaluate each SOQ based upon the established criteria and may select three (3) to five (5) CONSULTANTS to interview in Part 2;

Part 2: The DISTRICT will send written notice to each CONSULTANT that the DISTRICT has elected to interview in accordance with this RFQ. Notices sent to CONSULTANTS selected for Committee Interviews shall include:

- Date and time of interview;
- Date and time of meeting with short list firms to brief on RFP expectations;
- Interview format and required presentation materials and attendees.
    - Key personnel who will be assigned to work directly on providing the financing services are expected to be present and part of the interview process.

The DISTRICT's Selection Committee shall select one (1) CONSULTANT to provide financial advisory services. The DISTRICT shall send written notice of its selection with details concerning the contract negotiation and award procedure. If the DISTRICT is unable to reach an agreement with the first selected CONSULTANT, the DISTRICT may proceed, at its sole discretion, to select the second selected CONSULTANT for contract negotiations and award. This process will be repeated until a contract is awarded. The DISTRICT reserves the right to contract for services in the manner that most benefits the DISTRICT.

B. RFQ SCHEDULE

The DISTRICT anticipates the following schedule for selecting a CONSULTANT to provide financial advisory services:

Activity	Date
Release of RFQ	December 17, 2015
Last day to Submit Requests for Clarification/Interpretation	January 7, 2016

DISTRICT Responds to Requests for Clarification/Interpretation	January 11, 2016
Deadline for Receipt of SOQ for Full Consideration **(2:00 PM)**	January 15, 2016
Notice of Selection Status (Tentative)	January 26, 2016
Selection Committee Interviews (Tentative)	February 9, 2016
Notice of Recommendation for Award / Board of Education Approval (Tentative)	February 18, 2016
Award of Contract for Financial Advisory Services (Tentative)	February 19, 2016

C. INSTRUCTIONS FOR SUBMITTING STATEMENT OF QUALIFICATIONS

1) General Requirements

Each CONSULTANT must clearly and succinctly state its qualifications and explain its method for developing a constructive, effective partnership with the DISTRICT to ensure the financial advisory services will be performed on time and to advance program objectives. SOQs should be complete and be prepared to provide an insightful, straightforward, and concise overview of the capabilities of your company.

The emphasis of your SOQ should be on completeness and clarity of content. SOQs may be rejected if not prepared in the format described below, or if submitted without all required information and signatures. Additional facts and information may be included if it will help to highlight your firm's qualifications and experience. The DISTRICT will not be responsible for any errors or omissions on the part of and CONSULTANT in connection with the preparation and/or submittal of an SOQ.

Each CONSULTANT is requested to submit one (1) original and two (2) copies of the SOQ to the District along with one electronic PDF format copy of the SOQ, on a CD or flashdrive, on or before **2:00 pm January 15, 2016**. Each packet must be clearly identified by firm name, and clearly identified as a SOQ in response to the DISTRICT's "REQUEST FOR QUALIFICATIONS FOR FINANCIAL ADVISORY SERVICES FOR PUSD FACILITIES MODERNIZATION PROGRAM".

Direct SOQs to:

Pasadena Unified School District
Christine Ward, Administrator, Procurement & Contracts
351 So. Hudson Ave, Room 102
Pasadena, Ca 91101
RE: RFQ #22-15/16

Each SOQ shall be submitted on 8 ½" x 11" papers, single sided, with a font no less than 11 pitch. Maximum pages allowed will be twenty (20) excluding the Fee and/or Rate Schedule. SOQs are to be submitted in sealed packages.

An individual or individuals authorized to execute legal documents on behalf of each CONSULTANT shall sign the SOQ. Failure to provide the information requested in this RFQ, or

the inclusion of any conditional limitations, or misrepresentations, may adversely affect the evaluation of your SOQ, or be cause for consideration as non-responsive to the RFQ.

Once the DISTRICT receives the responses to the RFQ, the submittals will remain valid and may not be withdrawn for a period of ninety (90) days.

2) Evaluation

The DISTRICT shall evaluate each CONSULTANT on the following basis, listed in no particular order of importance:

- Timely submittal of a fully completed Statement of Qualifications:
  - Responded succinctly to all questions and supplied all requested information;
  - Submitted as instructed in this RFQ;
- Demonstrated qualifications to perform the financial advisory services expected by the DISTRICT which will include, but is not limited to, an evaluation of the following:
  - Each CONSULTANT's experience with bridge financing and other financing scenarios for school districts;
  - Each CONSULTANT's project experience that supports the CONSULTANT's method to partner with the DISTRICT and ensure financial advisory services will be provided and successfully completed;
  - The experience of each CONSULTANT's key Staff and sub-consultants;
  - The proven financial stability of each CONSULTANT;
  - Each CONSULTANT's ability to satisfy the DISTRICT's insurance requirements; and
  - Each CONSULTANT's history of litigation and disputes.

The DISTRICT reserves the right to request additional information at the DISTRICT's sole discretion, necessary to assure that a CONSULTANT is fully qualified to perform the required financial advisory services.

The DISTRICT does not discriminate on the basis of race, color, national origin, religion, age, ancestry, medical condition, disability or gender in consideration for an award of a contract.

3) Modifications to this RFQ

The DISTRICT reserves the right to revise any part of this RFQ at any time. Modifications to this RFQ shall be made only by written addendum issued by the DISTRICT. Oral statements regarding this RFQ by any person(s) should be considered unverified information unless confirmed in writing.

The DISTRICT reserves the right to accept or reject any and all SOQ, or any portion or combination thereof, to contract with whomever and in whatever manner the DISTRICT decides, to abandon the RFQ entirely, to make a selection on the basis of the total submittal, and to waive any informality or irregularity, as the interests of the DISTRICT may require. Furthermore, the DISTRICT reserves the right to add additional CONSULTANTS for consideration after receipt of SOQs in response to this RFQ if it is found to be in the best interest of the DISTRICT.

4) Disposition of Statement of Qualifications

All SOQs and supporting documents will not be returned and shall become property of the DISTRICT upon the District's receipt of the same. The DISTRICT shall have the right to copy, reproduce, and/or dispose of each SOQ in any way that the DISTRICT may choose. All information submitted in response to this RFQ, excluding financial and proprietary information clearly marked and identified by the CONSULTANT as confidential, shall become public documents subject to all Public Disclosure Laws (a blanket statement that all contents of the SOQ are confidential or proprietary will not be honored by the District and shall be deemed invalid).

5) Costs of SOQ

The District shall not be responsible in any manner and to any CONSULTANT for the cost associated with preparing and submitting a SOQ and/or participating in an interview. Acceptance by the District of any SOQ's submitted pursuant to this RFQ shall not commit the DISTRICT to enter into an agreement for services or guarantee that a CONSULTANT will be selected by the DISTRICT.

8. ORGANIZATION OF THE STATEMENT OF QUALIFICATIONS

In order to be considered for selection by the DISTRICT, each CONSULTANT shall submit the following items in the format specified below. The SOQ shall be indexed and tabbed as follows for easy reference.

Table of Contents
Tab 1: Letter of Interest
Tab 2: Project Approach to Financial Advisory Services
Tab 3: Planning Team Key Personnel
Tab 4: Schedule
Tab 5: Relevant Experience and References
Tab 6: Financial Stability
Tab 7: Insurance
Tab 8: Litigation History
Tab 9: Other Relevant Information
Tab 10: Preliminary Fee Schedule Proposal

Each tab shall contain the following information:

- Tab 1 – Cover Letter of Interest:

    - A maximum two page letter of interest that includes a synopsis of the firm, business principles, selected team members, general qualifications and distinguishing characteristics, primary contact information, and signed by the Principal in charge representing the contractual authority of the firm (please include email address).

- Tab 2 – Strategic Approach to Providing Financial Advisory Services:

    - Based upon the scope of services and program data provided in this RFQ and available supplemental data, provide a narrative description of the proposed work to be performed by the CONSULTANT. The overview should articulate an understanding of DISTRICT and the DISTRICT's needs. The overview should describe the proposed work and all applicable requirements.

- Tab 3 – Planning Team Key Personnel:

    - Include resume information for each member of the financial advisory team who will be assigned to perform the financial advisory services for the DISTRICT (the "Team"). Please provide resumes of all Team members which include education, professional titles, related qualifications, roles on past projects, and any other relevant experience of all Team members including any sub-consultants. The primary contact for the CONSULTANT should be clearly defined. Provide an organizational chart and identify the specific roles, responsibilities and phase of participation anticipated for this program and highlight the unique elements/qualifications of the team.

- Tab 4 - Schedule:

    - Provide a financial schedule for the DISTRICT indicating sources and mechanisms for financing as to how the bond sales will cover the DISTRICT's cost for construction for all required sites.

- Tab 5 – Relevant Experience and References:

    - Describe how the CONSULTANT's specific experience and professional skills in financial advisory services would fulfill the general expectations identified in this RFQ;

    - Demonstrate the CONSULTANT's experience and expertise in financial advisory services for educational entities (K-12);

- Briefly describe any services completed for educational entities, preferably for California education institution projects (K-12 only), in the last five (5) years. Do not include any higher educational projects such as 4 year colleges or universities.

- Provide information and references, with contact names and phone numbers, of prior K-12 school district contacts that can comment on your firm's knowledge and successful experiences in working with K-12 school districts, the community at large and committees;

- Project specific experience of CONSULTANT and sub-consultants: Describe projects completed, preferably within the last five (5) years, which demonstrate the CONSULTANT's ability to satisfy the DISTRICT's expectations for this program.

- Tab 6 – Financial Stability:

  - Submit evidence of financial stability such as reviewed or audited financial statements. All financial information shall remain confidential and is not subject to public disclosure, if clearly marked.

- Tab 7 - Insurance:

  - Submit a certificate of insurance or a signed letter from the CONSULTANT's insurance company indicating the ability to provide insurance as required in the attached sample Professional Services Agreement for Financial Advisory Services.

- Tab 8 – Litigation History:

  - Provide a summary and history of any and all claims, suits or other proceedings filed by your firm or against your firm arising out of the provision of financial advisory services to any public entity in the last ten (10) years. Each CONSULTANT shall provide a description of each claim/suit/proceeding, the amount of damages at issue in the claim/suit/proceeding, the public entity that was involved and how the claim/suit/proceeding was resolved. Each CONSULTANT shall also identify any programs in which the CONSULTANT was terminated from within the last 10 years, whether by cause or convenience, and the circumstances surrounding such terminations. Please also provide information relative to any convictions for filing false claims within the past 10 years.

- Tab 9 – Other Relevant Information:

  Each CONSULTANT may include any other information or comments that such CONSULTANT feels is pertinent but not specifically asked for herein such as:

  - Describe any current or uncompleted projects, which demonstrate the CONSULTANT's ability to satisfy the DISTRICT's expectations for this program;
  - Demonstrate efficient staffing and timely project completion within allocated budgets;
  - Description of community involvement;
  - Description of any other previous involvement with the DISTRICT or any other school districts.

- Tab 10 – Provide a Preliminary Fee and/or Rate Schedule Proposal.

8. NEGOTIATION AND CONTRACT AWARD

The DISTRICT shall select the successful CONSULTANT based on the information provided in the SOQ and the interview. The DISTRICT may choose to rank remaining CONSULTANTS in order of preference. The selected CONSULTANT will be invited to enter into fee negotiations with the DISTRICT. If the fee proposal proves unacceptable and is not successfully negotiated, the DISTRICT reserves the right to negotiate with the next ranked CONSULTANT. The selected CONSULTANT will be notified within 48 hours of the interview and should be prepared to discuss the following items:

- Lump sum fee (fees, profit, overhead, etc.) or Not to Exceed Fee with rate schedule
- Statement of work
- Confirmation that all scope items from the original RFQ will be addressed
- Any exclusions
- Anticipated number of hours
- Hourly rates for all personnel involved in the program including anticipated amount of staff
- Other resources and their uses
- Anticipated reimbursable expenses, if any

ATTACHMENT "1"

FINANCIAL INTEREST CERTIFICATION

I _____, acting as the _____, am an authorized representative of _____ ("Consultant") and do hereby certify that for the term of the agreement contemplated by this proposal, that other than past or future contracts with the District as an entity, no officer, contractor, subcontractor, or employee of Consultant has, or shall have, any financial interest or business relationship with any individual Member(s) of the District's governing Board or staff and that no such District Board Member(s) or staff shall have any direct or indirect financial benefit or relationship in the agreement contemplated by this proposal, or obtain any present or anticipated material benefit arising therefrom.

By:_____

Name:_____

Title:_____

Date:_____

ATTACHMENT "2"

PROFESSIONAL SERVICES AGREEMENT- FINANCIAL ADVISORY SERVICES

THIS PROFESSIONAL SERVICES AGREEMENT (the "Agreement") is made and entered into as of _____, 2015 (the "Effective Date") by and between Pasadena Unified School District, a public school district of the State of California (the "District"), and ***[Insert Consultant Name]*** ("Consultant"). The District and the Consultant are collectively referred to in this Agreement individually as "Party" and collectively as the "Parties." This Agreement is made with reference to the following facts:

WHEREAS, on November 4, 2008, the voters of the District approved by more than 55% Measure "TT", authorizing the issuance and sale of $350,000,000 of general obligation bonds. On September 17, 2009, the District issued Series 2012 in the amount of $125,000,000. The bonds were issued to finance the construction and modernization of school facilities and to pay costs of issuance of the bonds; and

WHEREAS, the District requires services and/or advice of a highly specialized and technical nature in connection with certain financial, economic, accounting, consulting and/or administrative matters and such services and advice are not available within the District and cannot be performed satisfactorily by District employees; and

WHEREAS, Consultant possesses the necessary expert knowledge, experience, and ability to perform services not available through District personnel, and Consultant is specially experienced and competent to provide to the District certain specialized services and/or advice in one or more of the foregoing areas; and

WHEREAS, the District desires to engage Consultant because of Consultant's special expertise and experience, and Consultant desires to be engaged by the District; and

WHEREAS, the District and Consultant desire to reduce to writing the terms and conditions of the District's engagement of Consultant; and

NOW, THEREFORE, in consideration of the mutual covenants set forth below, the Parties hereby agree as follows:

I.
SERVICES TO BE PERFORMED BY CONSULTANT

A. Performance Of Basic Services.

Consultant agrees to perform consulting services for the District as described in Appendix A to this Agreement (the "Basic Services"). The Services may be performed at the Consultant's offices or at such other location as Consultant chooses, except as may otherwise be

provided in Appendix A. In addition to the Basic Services set forth in Appendix A, Consultant shall provide the following Basic Services:

- **State Eligibility and Application**:
    - Assist the District with continuing eligibility requirements and applications for various Office of Public School Construction (OPSC) facility programs;
- **Funding Strategy** :
    - Assist the District in developing long and short term financing strategies;
    - Assist the District in project funding strategies, where multiple financial streams must be incorporated to deliver the project;
- **Project Closeout and Audit Support:**
    - Assist the District with OPSC closeouts with any new and prior projects;
- **Federal Funding**:
    - Assist the District with the variety of Federal Facility Funding programs that are available;
- **Construction Schedule Financial Planning:**
    - Assist the District with finding sources and mechanisms for financing in line with construction schedules and identified cash flow shortfalls;
- **Project Delivery Financial Planning:**
    - Assist the District with determining the best project delivery method and implementations, such as Lease-Leaseback, Design-Build, Multi-Prime, etc.;
- **General Obligation Bond Management**:
    - Provide assistance in bond sales, timing, analyze prior bond sales for opportunities in refinancing as required;
- **Real Estate Asset Management (optional)**:
    - Assist the District with management of real estate assets and acquisition of real estate, if identified;
    - Assist the DISTRICT on any possible arbitrage and tax issues, if necessary (optional).

The Consultant may also be required to complete other financing studies as may be needed from time to time as determined to assist the District in its financial requirements for the bond program.

[NOTE: Bond counsel must review the Services and confirm that they include all services necessary and appropriate for the financial advisor to perform.]

B. Method Of Performance And General Supervision.

Consultant will determine the methods, details, and means of performing the Basic Services required by this Agreement. Subject to the foregoing, the District retains the right to inspect, to stop work, to prescribe alterations and generally to monitor Consultant's work to ensure its conformity with the terms of this Agreement.

C. Employment Of Assistants.

Consultant may, at Consultant's own expense, employ such assistants as Consultant deems necessary to perform the services required of Consultant by this Agreement. District may not control, direct, or supervise Consultant's assistants or Consultants in the performance of those services.

D. Consultant's Certifications, Representations and Warranties.

Consultant makes the following certifications, representations and warranties for the benefit of the District. Consultant acknowledges and agrees that the District, in deciding to engage Consultant pursuant to this Agreement, is relying upon the truth and validity of the following certifications, representation and warranties and their effectiveness throughout the term of this Agreement and the course of Consultant's engagement hereunder.

1. Consultant is qualified in all respects to provide to the District all of the services contemplated by this Agreement and, to the extent required by any applicable law, Consultant has all such licenses and/or governmental approvals as would be required to carry out and perform for the benefit of the District, such services as are called for hereunder.

2. Consultant, in providing the services and in otherwise carrying out its obligations to the District under this Agreement, shall, at all times, comply with all applicable federal, state, and local laws, rules, regulations, and ordinances, including workers' compensation and equal protection and non-discrimination laws.

3. Consultant will perform its services hereunder in a professional manner, using the degree of care and skill ordinarily exercised by, and consistent with, the current professional practices and standards of a professional practicing in California. The Consultant will furnish those services that are set forth in this Agreement and represents that these services as set forth herein are within the technical and professional areas of expertise of the Consultant or any sub-consultant the Consultant has engaged or will engage to perform the service(s).

Section 1.5 Additional Services.

The Consultant shall notify the District in writing of the need for additional services required due to circumstances beyond the Consultant's control or for any other consulting services as may be requested by the District from time to time (the "Additional Services"). The Consultant shall obtain written authorization from the District before rendering any Additional Services. Compensation for all valid Additional Services shall be negotiated and approved in writing by the District before such Additional Services are performed by the Consultant. No compensation shall be paid or otherwise due to the Consultant for any Additional Services that are not previously approved by the District in writing.

II.
TERM AND TERMINATION

A. Term.

1. This Agreement shall become effective on the Effective Date and shall continue for one (1) year (the "Consulting Term"), unless the Agreement is earlier terminated by either Party in accordance with Section 2.2, below. The Parties may mutually agree in writing to extend the Term. In compliance with Education Code section 17596, this Agreement may not exceed five (5) years.

B. Termination.

1. This Agreement may be terminated by either Party upon fourteen (14) days written notice to the other Party in the event of a substantial failure of performance by such other Party, including insolvency of Consultant.

2. In the event of a termination for a substantial failure of performance, the District shall pay the Consultant for all Basic Services performed and all expenses incurred under this Agreement supported by documentary evidence, including payroll records, and expense reports up until the date of the abandonment or postponement, plus any sums due the Consultant for Board-approved Additional Services. In ascertaining the services actually rendered hereunder up to the date of termination of this Agreement, consideration shall be given to both completed work and work in process of completion and to complete and incomplete drawings and other documents, whether delivered to the District or in the possession of the Consultant. Notwithstanding the above, in the event of a termination for a substantial failure of performance, all damages and costs associated with the termination, including increased consultant and replacement consultant costs, shall be deducted from payments to the Consultant.

3. In the event a termination for cause is determined to have been made wrongfully, or without cause, then the termination shall be treated as a termination for convenience in accordance with Section 2.2(d) below, and Consultant shall have no greater rights than it would have had if a termination for convenience had been effected in the first instance. No other loss, cost, damage, expense or liability may be claimed, requested or recovered by Consultant.

4. This Agreement may be terminated without cause by District upon thirty (30) days written notice to the Consultant. In the event of a termination without cause, the District

shall pay to the Consultant for all Basic Services performed and all expenses incurred under this Agreement supported by documentary evidence, including payroll records, and expense reports up until the date of notice of termination, plus any sums due the Consultant for Board-approved Additional Services. In ascertaining the services actually rendered hereunder up to the date of termination of this Agreement, consideration shall be given to both completed work and work in process of completion and to other documents, whether delivered to the District or in the possession of the Consultant.

5. In the event of a dispute between the Parties as to performance of the work or the interpretation of this Agreement, or payment or nonpayment for work performed or not performed, the Parties shall attempt to resolve the dispute. Pending resolution of this dispute, Consultant agrees to continue the work diligently to completion. If the dispute is not resolved, Consultant agrees it will neither rescind the Agreement nor stop the progress of the work, but Consultant's sole remedy shall be to submit such controversy to determination by a court having competent jurisdiction of the dispute, after the Project has been completed, and not before. The Parties may agree in writing to submit any dispute between the Parties to arbitration. The District agrees to pay the Consultant the undisputed amounts due under this Agreement.

6. The Parties understand and agree that this Termination Article shall govern all termination rights and procedures between the Parties. Any termination provision that is attached to this Agreement as an Exhibit shall be void and unenforceable between the Parties.

III.
COMPENSATION

A. Terms Of Payment.

In consideration for all Services to be performed by Consultant, the District agrees to pay Consultant pursuant to the Fee Schedule set forth below. In no event shall payment under this Agreement exceed _____ ($_____) without additional Board approval. Consultant shall submit to the District a statement of services rendered upon completion of the Services. The District agrees to pay the amount due to Consultant for the Services on or before the end of the month following the month in which Services are invoiced. Payment of all fees and expenses will be fully contingent on the successful closing of the financing and will be paid solely from bond funds. ***[NOTE: Bond counsel must confirm this payment is allowable use of bond funds.]***

[INSERT FEE SCHEDULE]

B. No Payroll Or Employment Taxes.

No payroll or employment taxes of any kind shall be withheld or paid with respect to payments to Consultant. The payroll or employment taxes that are the subject of this Section

include, but are not limited to, FICA, FUTA, federal personal income tax, state personal income tax, state disability insurance tax, and state unemployment insurance tax.

C. Reimbursable Expenses.

Consultant shall be reimbursed for the reasonable and actual out-of-pocket expenses incurred by Consultant in the performance of Consultant's duties and responsibilities under this Agreement, as provided for in Appendix A, provided that Consultant shall first furnish supporting documentation, acceptable to the District, detailing such costs and expenses. Reimbursable expenses are estimated to be _____Dollars ($_____), and this amount shall not be exceeded without the prior written approval of the District. Allowable reimbursable expenses include (1) reproduction of reports and/or other documents otherwise not covered in this Agreement and approved in advance in writing by District; (2) express shipping, overnight mail, messenger, courier, or delivery services approved in advance in writing by the District; (3) mileage at IRS Rate if site exceeds more than 25 miles from the District; and (4) out of town travel approved in advance in writing by District.

D. Accounting Records Of The Consultant.

Records of the Consultant's direct personnel and authorized reimbursable expenses and records of accounts between the District and Consultant shall be kept on a generally recognized accounting basis, and shall be available for inspection by the District at mutually convenient times.

IV.
OTHER OBLIGATIONS OF CONSULTANT

A. Nonexclusive Services.

Consultant may represent, perform services for, and/or be employed by such additional companies, persons, or clients as Consultant, in Consultant's sole discretion, chooses.

B. Workers Compensation And Unemployment Insurance And Licenses.

Consultant shall be responsible for providing, at Consultant's own expense, disability, unemployment and other insurance, workers' compensation, training, permits and licenses for Consultant and for Consultant's employees, agents and independent Consultants, as may be required by law.

C. Materials And Equipment.

Consultant shall supply all materials and equipment required to perform the Services under this Agreement, except as may be otherwise specified in Appendix A.

D. Licenses, Permits, Fees And Assessments.

Consultant shall obtain at Consultant's sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the Services required by this

Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for Consultant's performance of the Services required by this Agreement.

E. Confidentiality**.**

Consultant acknowledges that, during the term of this Agreement, Consultant may have access to privileged and confidential materials and information of the District (collectively, the "Confidential Information"). Consultant covenants and agrees to keep such information confidential and not to disclose such information directly or indirectly during, or subsequent to, the term of this Agreement. Consultant acknowledges that any Confidential Information will be made known to the Consultant in full reliance on this Agreement. Any use of the Confidential Information by Consultant other than for the District's benefit in connection with the business relationship between Consultant and the District established by this Agreement will constitute a wrongful usurpation of the Confidential Information by Consultant. The Consultant hereby agrees to forever hold the Confidential Information in strict confidence and secret.

F. Insurance.

Consultant shall purchase and maintain policies of insurance with an insurer or insurers, qualified to do business in the State of California and acceptable to District which will protect Consultant and District from claims which may arise out of or result from Consultant's actions or inactions relating to the Agreement, whether such actions or inactions be by themselves or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. The aforementioned insurance shall include coverage for:

1. Workers' Compensation and Employers Liability Insurance in accordance with the laws of the State of California.

2. Comprehensive General and Auto Liability Insurance with limits of not less than $1,000,000 combined single limit, bodily injury and property damage liability per occurrence, including:

a. owned, non-owned and hired vehicles;

b. blanket contractual;

c. broad form property damage;

d. products/completed operations; and

e. personal injury.

(c) Professional Liability Insurance, including contractual liability, with limits of $1,000,000, per claim. Such insurance shall be maintained during the term of this Agreement and renewed for a period of at least five (5) years thereafter and/or at rates consistent with the time of execution of this Agreement adjusted for inflation.

(d) Valuable Document Insurance on all reports as may be required to protect the District in the amount of its full equity in those reports.

(e) Each policy of insurance required in Section 4.6(b) above shall name District and its officers, agents and employees as additional insureds; shall state that, with respect to the operations of Consultant hereunder, such policy is primary and any insurance carried by District is excess and non-contributory with such primary insurance; shall state that not less than thirty (30) days' written notice shall be given to District prior to cancellation; and shall waive all rights of subrogation. Consultant shall notify District in the event of material change in, or failure to renew, each policy. Prior to commencing work, Consultant shall deliver to District certificates of insurance as evidence of compliance with the requirements herein. In the event Consultant fails to secure or maintain any policy of insurance required hereby, District may, at its sole discretion, secure such policy of insurance in the name of and for the account of Consultant, and in such event Consultant shall reimburse District upon demand for the cost thereof. ***[NOTE: Bond counsel and District's insurance provider must review these requirements to confirm that they are appropriate for the scope of work, will adequately protect the District and are compatible with District insurance policies.]***

G. Indemnification.

To the fullest extent permitted by law, Consultant shall fully indemnify, defend and hold harmless the District, its employees, agents and independent consultants from claims, demands, causes of actions and liabilities of every kind and nature whatsoever arising out of or in connection with Consultant's services performed under this Agreement. This indemnification shall extend to claims occurring after this Agreement is terminated as well as while it is in force.

H. Return Of District Property.

On the termination of this Agreement or whenever requested by the District, Consultant shall immediately deliver to the District all property in Consultant's possession or under Consultant's control belonging to the District in good condition, ordinary wear and tear and damage by any cause beyond the reasonable control of Consultant excepted.

V.
CONSULTANT'S WORK PRODUCT

A. Ownership Of Consultant's Work Product.

The reports and/or other documents that are prepared, reproduced, maintained and/or managed by the Consultant or Consultant's consultants in accordance with this Agreement, shall be and remain the property of the District (hereinafter "Property"). The District may provide the Consultant with a written request for the return of its Property at any time. Upon Consultant's receipt of the District's written request, Consultant shall return the requested Property to the District. Consultant may retain a confidential file copy of the Property with all originals being returned to the DISTRICT. Failure to provide the Property to the District within ten (10) calendar days after the Consultant's receipt of the District's written request shall be deemed a material breach of this Agreement.

B. Use Of Copyrighted Materials.

Consultant warrants that any materials provided by Consultant for use by District pursuant to this Agreement shall not contain any material that is protected under the Copyright Act or any other similar law, except to the extent of "fair use," as that concept is defined in the Copyright Act, and except to the extent that Consultant has obtained permission to use such work from the copyright holder. Consultant shall be solely responsible for ensuring that any materials provided by Consultant for use by District pursuant to this Agreement satisfy this requirement. Consultant agrees to hold District harmless from all liability or loss, including debt or exercise for attorneys' fees to which District is exposed on account of Consultant's failure to perform this duty.

VI.
GENERAL PROVISIONS

A. Dispute Resolution.

In the event of any disputes or disagreement between the District and Consultant with respect to the interpretation of any provision of this Agreement, or to the performance of the Parties under this Agreement, each Party shall appoint a designated representative to meet in good faith, to resolve the dispute or to negotiate an adjustment to any provision of this Agreement. Such negotiations shall be conducted in a timely manner to avoid undue delay in resolving the dispute. No formal proceeding for judicial resolution of any dispute or disagreement shall be commenced until a Party concludes in good faith and provides written notice to the other Party that an amicable resolution of the matter at issue through continued negotiation does not appear likely.

B. Default.

A Party will be considered in default of its obligations under this Agreement if such Party should fail to observe, to comply with, or to perform any term, condition, or covenant contained in this Agreement and such failure continues for ten (10) days after the non-defaulting Party gives the defaulting Party written notice thereof. In the event of default, the non-defaulting Party, upon written notice to the defaulting Party, may terminate this Agreement as of the date specified in the notice, and may seek such other and further relief as may be provided by law.

C. Amendments.

This Agreement may not be altered or modified, except by a writing signed and approved by the Parties.

D. Status Of Consultant.

Consultant enters into this Agreement, and will remain throughout the term of the Agreement, an independent Consultant. Neither Consultant nor its employees, agents or independent Consultants shall become an employee, joint venturer, partner, agent or principal of the District while this Agreement is in effect. Consultant's employees, agents and independent Consultants shall not be entitled to the rights or benefits afforded to the District's employees,

including disability or unemployment insurance, workers' compensation, medical insurance, sick leave or any other employment benefit. District retains the right to hire consultants or other advisors for the same or similar scope of services at the District's sole discretion.

E. Governing Law.

This Agreement shall be governed by and construed according to the laws of the State of California that would apply if all Parties were residents of California and the Agreement was made and performed in California. Venue shall be in Los Angeles County, California.

F. Notices.

All notices and demands between the Parties hereto shall be in writing and shall be served either personally or by registered or certified mail. Such notices or demands shall be deemed given when personally delivered or seventy-two (72) hours after the deposit thereof in the United States mail, postage prepaid, addressed to the Party to whom such notice or demand is to be given or made. Such notices and demands may also be sent by telex, telegraph, telecopier or other similar electronic transmission device providing for a permanent record of the notice or demand, and, if so served, such notice or demand shall be deemed given and made at the time the device confirms to the sender delivery thereof to the addressee.

All notices and demands shall be given as follows:

To the District:
Pasadena Unified School District
740 W. Woodbury Road
Pasadena, CA 91103
Attn: Nelson Cayabyab, Chief Facilities Officer

To the Consultant:
[insert contact address]
Attn: ***[insert contact person]***

Each Party may designate in writing such other place or places that notices and demands may be given.

G. Assignment.

This Agreement shall not be assigned by either Party without the prior written consent of the other Party which shall be documented in an amendment to this Agreement pursuant to Section 6.3 above.

H. Order Of Precedence.

In the event of any conflict or inconsistency in the interpretation of this Agreement (including Attachments), such conflict or inconsistency shall be resolved by giving precedence to the body of this Agreement, then to the Attachments.

I. Agreement Interpretation.

This Agreement is the result of arm's length negotiations between the Parties, and shall be construed as drafted by all Parties such that any ambiguities shall not be construed against either Party.

J. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and will become effective and binding upon the Parties as of the Effective Date at such time as all signatories hereto have signed a counterpart of this Agreement.

K. Entire Agreement.

This Agreement contains the entire agreement between the Parties with respect to the subject matter of this Agreement and it supersedes all other prior and contemporary agreements, understanding, and commitments between the Parties with respect to the subject matter of the Agreement.

L. Severability.

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

M. Effect Of Recitals.

The Recitals and Exhibits herein are deemed true and correct, are hereby incorporated into this Agreement as though fully set forth herein, and the Parties acknowledge and agree that they are bound by the same.

N. Nondiscrimination.

In providing Services under this Agreement, Consultant shall comply with all applicable non-discrimination laws and shall not discriminate against any person on account of race, color, religion, age, sex, marital status, mental or physical disability, gender, gender identity, gender expression, sexual orientation, genetic information, ethnicity, ethnic group identification, national origin or nationality, ancestry, or a perception that a person has any of these characteristics or that the person is associated with a person who has, or is perceived to have, any of these characteristics.

O. No School District Affiliation/Endorsement.

Consultant shall not imply, indicate or otherwise suggest that Consultant's services are connected or affiliated with, or are endorsed, favored or supported by, or are opposed by the District, without the District's advance written consent.

P. Force Majeure.

Notwithstanding any other terms and conditions hereof, in the event that a Party is materially unable to perform any of its obligations hereunder because of severe weather, natural disasters, riots, wars, acts of terrorism, governmental action or other events of force majeure beyond the Party's control, then such Party shall, upon written notice to the other Party hereof, be relieved from its performance of such obligations to the extent, and for the duration, that such performance is prevented by such events; provided that such Party shall at all times use its best efforts to resume such performance

Q. Conflict of Interest

The Consultant hereby represents, warrants and covenants that: (i) at the time of execution of this Agreement, the Consultant has no interest and shall not acquire any interest in the future, whether direct or indirect, which would conflict in any manner or degree with the performance of Services under this Agreement; and (ii) the Consultant shall not employ in the performance of Services under this Agreement any person or entity having such an interest. ***[NOTE: Bond Counsel must review and advise on any additional conflict or disclosure requirements for bond consultant.]***

R. Board Approval.

This Agreement is not valid or an enforceable obligation against the District until approved or ratified by motion of the District's Board of Trustees duly passed and adopted.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement as of the Effective Date of this Agreement.

DISTRICT: **PASADENA UNIFIED SCHOOL DISTRICT**

By: _____
Nelson Cayabyab, Chief Facilities Officer

CONSULTANT: ***[INSERT CONSULTANT NAME]***

By: _____
Name and Title: _____

APPENDIX A

SCOPE OF SERVICES

[NOTE: Bond counsel should review the Services and confirm that they include all services necessary and appropriate for the financial advisor to perform.]

[INSERT SCOPE OF SERVICES FROM RESPONSE TO RFQ]