

**AMENDMENT NO. 2  
TO STANDARD AGREEMENT  
BETWEEN EAST GARRISON PUBLIC FINANCING AUTHORITY AND  
GOODWIN CONSULTING GROUP, INC.**

**THIS AMENDMENT NO. 2** to the Standard Agreement between the East Garrison Public Financing Authority, a California joint exercise of powers authority (hereinafter, "Authority") and Goodwin Consulting Group, Inc. (hereinafter, "CONTRACTOR") is hereby entered into between the Authority and the CONTRACTOR (collectively, the "Parties") and effective as of the last date opposite the respective signatures below.

**WHEREAS**, CONTRACTOR entered into a Standard Agreement with Authority on July 29, 2013 (hereinafter, "Agreement") to provide assistance with annual administration (hereinafter, "services") of the Authority's Community Facilities District (CFD) No. 2006-1 (hereinafter, "Project") through June 30, 2016 for an amount not to exceed \$30,000; and

**WHEREAS**, Agreement was amended by the Parties on June 15, 2016 (hereinafter, "Amendment No. 1", including Exhibit A-1 – Scope of Services/Payment Provisions) to extend the term for eleven (11) additional months to May 31, 2017, to increase the amount by \$1,000 which resulted in a total not to exceed amount of \$31,000, and to update the CONTRACTOR's Hourly Service Rates and Foreclosure Activities Fee Schedule; and

**WHEREAS**, due to the sale of Community Facilities District No. 2006-1, East Garrison Public Financing Authority, County of Monterey, State of California, Special Tax Bonds, Series 2016 (Series 2016 Bonds), the Parties wish to include the CONTRACTOR's regular monitoring rating agency websites, such as Standard and Poor's, Fitch, and Moody's, on a regular basis to the original scope of the Agreement; and

**WHEREAS**, additional time and funding are necessary; and

**WHEREAS**, the Parties wish to further amend the Agreement to extend the term for two (2) additional years to May 31, 2019 and to increase the amount by \$24,665 for a total amount not to exceed \$55,665 to allow CONTRACTOR to continue to provide services identified in the Agreement and as amended by this Amendment No. 2.

**NOW, THEREFORE**, the Parties agree to amend the Agreement as follows:

1. Amend the first sentence of Paragraph 1.01 under Section 1.0, "General Description", to read as follows:

The Authority hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibit A-2 in conformity with the terms of this Agreement.

2. Amend Paragraph 2.01 under Section 2.0, "Payment Provisions", to read as follows:

Authority shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A-2, subject to the limitations set forth in this Agreement. The total amount payable by Authority to CONTRACTOR under this Agreement is not to exceed the sum of \$55,665.

3. Amend the first sentence of Paragraph 3.01 under Section 3.0, "Term of Agreement", to read as follows:

The term of this Agreement is from July 1, 2013 to May 31, 2019, unless sooner terminated pursuant to the terms of this Agreement.

4. Amend Paragraph 4.01 under Section 4.0, "Scope of Services and Additional Provisions", to delete "Exhibit A-1, Scope of Services/Payment Provisions" and to add "Exhibit A-2, Scope of Services/Payment Provisions".

5. In all places within the Agreement, any reference to Exhibit A-1 – Scope of Services/Payment Provisions is hereby replaced with Exhibit A-2, Scope of Services/Payment Provisions.

6. Amend the Authority's address in Paragraph 14.01 under Section 14.0, "Notices", to read as follows:

1441 Schilling Place – South, 2<sup>nd</sup> Floor  
Salinas, California 93901-4527

7. All other terms and conditions of the Agreement, as previously amended, remain unchanged and in full force.
8. This Amendment No. 2 and all previous amendments shall be attached to the Agreement and incorporated therein as if fully set forth in the Agreement.
9. The recitals to this Amendment No. 2 are incorporated into the Agreement and this Amendment No. 2.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 2 to the Agreement which shall be effective as of the last date opposite the respective signatures below.

**EAST GARRISON  
PUBLIC FINANCING AUTHORITY**

**CONTRACTOR\***

By: \_\_\_\_\_  
Contracts/Purchasing Officer

Goodwin Consulting Group, Inc.  
Contractor's Business Name

Date: \_\_\_\_\_

By: Susan Goodwin  
(Signature of Chair, President or Vice President)

Its: Susan Goodwin, President  
(Print Name and Title)

Date: 5/31/17

**Approved as to Form and Legality**

By: J.P. Fly  
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Assistant Treasurer)

By: \_\_\_\_\_  
Kathryn Reimann  
Authority Counsel

Its: DAVE FREUDENBERGER, SECRETARY  
(Print Name and Title)

Date: \_\_\_\_\_

Date: 5/31/2017

**Approved as to Fiscal Provisions**

By: \_\_\_\_\_  
Auditor/Controller

Date: \_\_\_\_\_

**Approved as to Indemnity and Insurance Provisions**


By: \_\_\_\_\_  
Risk Management

Date: \_\_\_\_\_


\*INSTRUCTIONS: IF CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. IF CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. IF CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 2 to the Agreement which shall be effective as of the last date opposite the respective signatures below.


**EAST GARRISON  
PUBLIC FINANCING AUTHORITY**

By:   
Contracts/Purchasing Officer  
County of Monterey  
Date: 6.2.17

**Approved as to Form and Legality**

By:   
Kathryn Reimann  
Authority Counsel  
Date: 5/31/17

**Approved as to Fiscal Provisions**

By:   
Auditor/Controller  
Date: 6-1-17

**Approved as to Indemnity and Insurance Provisions**

By: \_\_\_\_\_  
Risk Management  
Date: \_\_\_\_\_

**CONTRACTOR\***

Goodwin Consulting Group, Inc.  
Contractor's Business Name

By:   
(Signature of Chair, President or Vice President)

Its: Susan Goodwin, President  
(Print Name and Title)

Date: 5/31/17

By: \_\_\_\_\_  
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Assistant Treasurer)

Its: \_\_\_\_\_  
(Print Name and Title)

Date: \_\_\_\_\_

\*INSTRUCTIONS: IF CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. IF CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 2 to the Agreement which shall be effective as of the last date opposite the respective signatures below.

**EAST GARRISON  
PUBLIC FINANCING AUTHORITY**

By: [Signature]  
Contract Purchasing Officer, MRA  
Deputy Purchasing Agent  
County of Monterey

Date: 6-2-17

**Approved as to Form and Legality**

By: Kay Reiman  
Kathryn Reimann  
Authority Counsel

Date: 5/31/17

**Approved as to Fiscal Provisions**

By: [Signature]  
Auditor/Controller

Date: 6-17

**Approved as to Indemnity and Insurance Provisions**

By: \_\_\_\_\_  
Risk Management

Date: \_\_\_\_\_

**CONTRACTOR\***

Goodwin Consulting Group, Inc.  
Contractor's Business Name

By: \_\_\_\_\_  
(Signature of Chair, President or Vice President)

Its: \_\_\_\_\_  
(Print Name and Title)

Date: \_\_\_\_\_

By: [Signature]  
(Signature of Secretary, Asst/Secretary, CFO,  
Treasurer or Assistant Treasurer)

Its: DAVE FREUNDENBERGER, SECRETARY  
(Print Name and Title)

Date: 5/31/2017

\*INSTRUCTIONS: IF CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. IF CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. IF CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

## EXHIBIT A-2 – SCOPE OF SERVICES/PAYMENT PROVISIONS

**To Agreement by and between**  
**East Garrison Public Financing Authority hereinafter referred to as “Authority”**  
**and**  
**Goodwin Consulting Group, Inc., hereinafter referred to as “CONTRACTOR”**

### **SCOPE OF SERVICES**

CONTRACTOR will assist the Authority with annual administration of the Authority’s Community Facilities District (CFD) No. 2006-1 (Project), including preparing the special tax levy, complying with continuing disclosure requirements, and preparing arbitrage rebate calculations.

Specifically, CONTRACTOR will provide the following services:

#### **1. Background Research**

CONTRACTOR will gather information and construct a database that will be used to calculate the annual special tax levy. This task will include the following:

**Map and Parcel Research:** Identify and obtain copies of all subdivision, final and parcel maps. Identify relevant information, including current Assessor Parcel Numbers (APNs), parcel acreage, and record owner of each parcel.

**Building Permit Tracking:** Track building permits issued within the CFD to determine the date of building permit issuance, square footage of each For-Sale Residential Unit, and whether there are any Taxable Rental Units in the CFD.

**Classification of Property:** Pursuant to the Rate and Method of Apportionment (RMA) of special tax, categorize each parcel to the appropriate special tax classification, including each category of Developed Property and Undeveloped Property.

**Database Management:** Prepare a database for the CFD which will contain all properties, parcel numbers, square footage, assigned tax categories, and other relevant information which will allow for the assignment of the special tax pursuant to the RMA.

#### **2. Annual Special Tax Levy Calculation**

CONTRACTOR will calculate the special tax levy for each taxable parcel in the CFD by applying the RMA of special tax. CONTRACTOR will identify all CFD expenses including annual debt service, Administrative Expenses, and collection costs. Any applicable surplus special taxes, interest earnings, and other credits will be applied to reduce the annual special tax levy.

#### **3. Annual CFD Administration Report Preparation**

CONTRACTOR will annually prepare a special tax administration report for the CFD which contains the results of our parcel research and findings of the financial analysis. An explanation of the methodology employed to calculate the special taxes levied will be incorporated. The report will also

## EXHIBIT A-2 – SCOPE OF SERVICES/PAYMENT PROVISIONS

include annual reporting items required by Senate Bill 165 (Local Agency Special Tax and Bond Accountability Act). The appendix to this report will identify the special tax levy for each assessor's parcel for the fiscal year.

### 4. Annual Special Tax Enrollment

CONTRACTOR will compile a list of parcels in the CFD that will be subject to the special tax levy and format it in compliance with the specific formatting instructions of the County Auditor-Controller's Office. The formatted tax levies will be submitted to the County Auditor-Controller's Office on or before the deadline for inclusion on the consolidated property tax bills.

### 5. Delinquency Management

CONTRACTOR will monitor the County Auditor-Controller's Office tax collection summaries and provide a report to the Authority identifying parcels and corresponding delinquent CFD taxes after each of the two (2) annual tax installments and at the end of the fiscal year, as necessary. CONTRACTOR will prepare and mail a reminder letter after each delinquent tax installment to each delinquent property owner. If directed by the Authority, CONTRACTOR will prepare and mail a tax delinquency demand letter to property owners whose delinquent taxes have contributed to a violation of the bond foreclosure covenants. The demand letter provides notice to the property owners that CFD taxes will be stripped from the tax roll if payment is not made to the County Treasurer-Tax Collector's Office by a certain date.

### 6. Answer Inquiries from Various Parties

CONTRACTOR will respond to property owners, realtors, title companies, appraisers and other parties' questions regarding the special tax and other CFD related issues. A CONTRACTOR staff member will be listed as the contact for calls that are received by the County Treasurer-Tax Collector's Office, and calls will be responded to on the day received.

### 7. Prepayment Calculations

CONTRACTOR will provide developers, title agents and other interested parties with the prepayment amount required to pay down the special tax lien on their property.

### 8. Bond Redemption Administration

CONTRACTOR will work with the homebuilders, title agents and bond trustee to ensure that prepayment checks are processed properly and the correct bond amount is redeemed at each interest payment date. CONTRACTOR will further ensure that prepayment amounts are allocated to the appropriate CFD accounts. Any fees for processing will need to be separately itemized with the check received for associated taxes ensuring correct amounts are deposited into the applicable accounts

## EXHIBIT A-2 – SCOPE OF SERVICES/PAYMENT PROVISIONS

### 9. Disclosure Regulations Compliance

CONTRACTOR will provide information to the Municipal Securities Rulemaking Board (pursuant to Securities and Exchange Commission (SEC) regulations) and the California Debt and Investment Advisory Commission (pursuant to Senate Bill 1464) and prepare special tax disclosure materials to home buyers as specified in Senate Bill 1464. This task shall include the following subtasks:

- a. Prepare the annual Continuing Disclosure Report and respond to secondary information requirements set forth in SEC Section 15c2-12, as amended.
- b. Submit the annual Fiscal Report as specified in Government Code Section 53359.5 to California Debt and Investment Advisory Commission by October of each year.
- c. Prepare special tax disclosure materials on the Authority's behalf for resale properties as required by Government Code Section 53340.2.
- d. Prepare the CFD parcel tax reporting information pursuant to AB 2109 and provide to County to submit to the State Controller's Office in their Annual Financial Transactions Report.

CONTRACTOR will monitor rating agency websites, such as Standard and Poor's, Fitch, and Moody's, on a regular basis to determine if the Community Facilities District No. 2006-1, East Garrison Public Financing Authority, County of Monterey, State of California, Special Tax Bonds, Series 2016 (Series 2016 Bonds) have had a rating change, and if so, report the rating change to the Authority. If instructed by the Authority, CONTRACTOR will report the rating change on the Electronic Municipal Market Access (EMMA) website pursuant to the District Continuing Disclosure Agreement for the Series 2016 Bonds. If needed, CONTRACTOR may request a copy of the District Continuing Disclosure Agreement from the Authority.

CONTRACTOR will provide all required reports, respond to follow-up phone calls, and monitor events associated with the CFD that trigger expanded disclosure requirements.

### 10. Coordination of Foreclosure Activities

If needed, CONTRACTOR will coordinate with the Authority to ensure compliance with all foreclosure covenants and provisions in the bond documents. Should the Authority decide to initiate foreclosure, CONTRACTOR will assist in drafting a Board resolution to remove delinquent properties from the County tax roll. CONTRACTOR will also prepare and record the Notice of Intent (NOI) to Remove Delinquent Special Tax Installments. After taxes have been removed from the tax roll, CONTRACTOR will send a Foreclosure Letter to the property owner requesting payment of delinquent CFD taxes by a certain date. The Foreclosure Letter provides the property owner with an opportunity to pay only the CFD tax portion of the tax bill instead of the entire bill, as would be the case if the CFD tax were to be paid to the County Treasurer-Tax Collector's Office. All CFD taxes, including penalties, interest, and service fees will be sent to CONTRACTOR and forwarded to the County Treasurer-Tax Collector's Office.



## EXHIBIT A-2 – SCOPE OF SERVICES/PAYMENT PROVISIONS

If delinquent CFD taxes are still outstanding after the deadline noted in the Foreclosure Letter, CONTRACTOR will research property documents to determine the primary lienholder. CONTRACTOR will contact the lienholder and send a letter demanding payment of all CFD taxes, penalties, interest, and service fees for the Authority and CONTRACTOR. All CFD tax payments will be sent to CONTRACTOR and forwarded to the County Treasurer-Tax Collector's Office. If delinquent CFD taxes are still outstanding after the deadline noted in the lienholder letter, CONTRACTOR will coordinate with the Authority and foreclosure attorney on proceeding with foreclosure. CONTRACTOR will provide the foreclosure attorney with a detailed report of all parcels subject to foreclosure along with associated CFD taxes, penalties, interest, and other service fees.

CONTRACTOR will also record a Notice of Payment of Delinquent Special Tax for all parcels whose delinquent taxes have been remedied.

### 11. Arbitrage Rebate Calculations

CONTRACTOR will prepare annual and five-year arbitrage rebate calculations. A report, identifying the rebate liability for the CFD, will be produced. CONTRACTOR will determine the amount, if any, that must be rebated to the Federal government at each five-year interval.

## BUDGET AND FEE SCHEDULE

The budget for annual administration services is separated into five (5) primary components, which include:

- A. CFD Special Tax Administration
- B. Continuing Disclosure
- C. Foreclosure Activities
- D. Arbitrage Rebate Calculation
- E. Special Tax Prepayment Calculation

Amendment No. 2 to this Agreement increases the not to exceed amount of \$31,000 by \$24,665 for a total amount not to exceed \$55,665. Of this increase, an additional amount of \$1,000 has been budgeted for the month of June 2017 in Fiscal Year (FY) 2016-17, the estimated budget for 2017-18 is \$12,200, and \$11,465 is the estimated budget for FY 2018-19 for the CFD Special Tax Administration, Continuing Disclosure, and Arbitrage Rebate Calculation tasks. Foreclosure Activities and Special Tax Prepayment Calculation tasks will be billed to the property owners.

### A. CFD Special Tax Administration

CFD Special Tax Administration encompasses Tasks 1-8 above, which must be completed on an annual basis to prepare the special tax levy and track the collection of special taxes within the CFD. The budget for CFD Special Tax Administration services for CFD No. 2006-1 will be based on time and materials, in accordance with the CONTRACTOR Hourly Service Rates in Table 1 below, not to exceed \$8,250 for 2017-2018 tax administration (estimated \$1,000 for FY 2016-17 and \$7,250 for FY 2017-18) and \$8,498 for 2018-2019 tax administration (estimated \$1,050 for FY 2017-18 and \$7,448 for FY 2018-19), plus expenses. Expenses may include but are not limited to mileage, database services or materials, and map purchases, and will not exceed \$500 for 2017-18 tax administration (estimated \$50 for FY

**EXHIBIT A-2 – SCOPE OF SERVICES/PAYMENT PROVISIONS**

2016-17 and \$450 for FY 2017-18) and \$515 for FY 2018-19 tax administration (estimated \$65 for FY 2017-18 and \$450 for FY 2018-19).

**TABLE 1**  
**CONTRACTOR HOURLY SERVICE RATES \***

	<b>FY 2016-17**</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>
Managing Principal	\$270	\$270	\$280
Senior Principal	\$255	\$255	\$260
Principal	\$245	\$245	\$250
Senior Associate	\$220	\$220	\$220
Associate	\$195	\$195	\$200
Analyst	\$175	\$175	\$180
Research Assistant	\$95	\$95	\$100

*\* These rates are effective through May 31, 2019 and may be adjusted for inflation thereafter.*

*\*\*Rates for the month of June 2017 only.*

**B. Continuing Disclosure**

Continuing disclosure, which is described in Task 9 above, will be required on an annual basis once bonds are issued pursuant to requirements of both the SEC and the California Debt and Investment Advisory Commission. CONTRACTOR’s proposed budget for continuing disclosure services is \$2,370 for FY2017-18 and \$2,441 for FY 2018-19.

**C. Foreclosure Activities**

Services associated with foreclosure activities, as described in Task 10 above, will be based on the Foreclosure Activities Fee Schedule in Table 2 below and will be billed to the individual property owner and neither the Authority nor the County, and are not encompassed within any “not to exceed” amount.

**TABLE 2**  
**FORECLOSURE ACTIVITIES FEE SCHEDULE\***

<i>Services</i>	<i>Fees</i>
Foreclosure Letter	\$50 per letter
Lienholder Research and Letter	\$75 /parcel/year
Record NOI - Remove Tax from County Roll and Record Subsequent Cancellation of NOI	\$250/parcel/year
Foreclosure Management Services	\$200/parcel/year
Payment Plan Setup and Administration	\$250/parcel/year

*\* These rates are effective through May 31, 2019 and may be adjusted for inflation thereafter.*

## EXHIBIT A-2 – SCOPE OF SERVICES/PAYMENT PROVISIONS

### D. Arbitrage Services

Arbitrage services for the Series 2016 Bonds, which are described in Task 11 above, include preparation of the arbitrage rebate calculation and report. The proposed annual budget for arbitrage services is \$1,030 for FY 2017-18 and \$1,061 for FY 2018-19.

### E. Special Tax Prepayment Services

Special tax prepayment services will be billed to the property owner that prepays his/her CFD tax. CONTRACTOR's fee for prepayment services\* is \$250 per parcel that is prepaid.

*\* These rates are effective through May 31, 2019 and may be adjusted for inflation thereafter.*

### General Terms and Conditions

The effort anticipated to complete this work is based on the CONTRACTOR's experience for the quantity and nature of work that can reasonably be anticipated for the outlined scope. Cost estimates provided for tasks are best-estimates at the time of Agreement execution; actual invoiced task amounts may vary from the initial task estimates. An amendment to the Agreement is not required if the task allocated budget amount(s) do not exceed the overall Agreement not-to-exceed amount. In the event that CONTRACTOR costs are to exceed the task allocated budget amount(s), CONTRACTOR shall notify Authority in advance and as soon as possible in writing and clearly describe how CONTRACTOR will achieve net fiscal neutrality. Any adjustments exceeding the total estimated budget by FY require prior written approval by Authority.

CONTRACTOR will charge for time and materials, using the hourly rates set forth in Table 1 above, up to the proposed budget maximum, subject to the limitations set forth above, unless otherwise agreed to by the Authority.

CONTRACTOR shall submit monthly invoices to the Authority along with details of services rendered and expenses incurred. Invoices under this Agreement shall be submitted monthly and promptly, and in accordance with Section 6.0, "Payment Conditions", of the Agreement. All invoices shall reference the Multi-Year Agreement (MYA) number (MYA# 1070 \*959), the Project name and associated Purchase Order number, and an original hardcopy shall be sent to the following:

County of Monterey  
Resource Management Agency – Finance Division  
1441 Schilling Place - South, 2<sup>nd</sup> Floor  
Salinas, California 93901-4527

Any questions pertaining to invoices under this Agreement shall be directed to the Resource Management Agency - Finance Division at (831) 755-4800.

Services provided under this Agreement, as amended, shall not exceed the sum of \$55,665. At the Authority's request, services of the same nature in addition to those identified in the scope of services may be provided if the total fee to complete the tasks selected is less than the budget.