

**TOWN OF MIAMI LAKES  
AGREEMENT  
FOR  
PROFESSIONAL SERVICES**

THIS AGREEMENT, made and entered into as of the 7<sup>th</sup> day of October, 2019, by and between the TOWN OF MIAMI LAKES (the "TOWN") and ESTRADA HINOJOSA & COMPANY, INC., a Texas corporation which is authorized to do business in Florida, (the "CONSULTANT").

**RECITALS:**

The TOWN wants to engage the CONSULTANT to perform certain professional services for the TOWN, consisting of any necessary financial advisory services related to the potential authorization and issuance of indebtedness as required by the TOWN as specifically described below (the "Specified Services"). The CONSULTANT wants to provide such Specified Services.

**In consideration of the mutual covenants set forth in this Agreement, the parties agree as follows:**

1. **SCOPE OF SERVICES**

A. The CONSULTANT agrees to provide the Specified Services upon written request from the Town Manager. CONSULTANT shall provide the Specified Services as an independent contractor for the TOWN.

B. The Specified Services to be provided by CONSULTANT shall include, but not be limited to each of the financial advisory tasks, including both planning and transactional services, as applicable, which are set forth in the Specified Services list, a copy of which is attached hereto and incorporated herein as Exhibit "A".

C. CONSULTANT shall regularly provide status reports to the TOWN, as requested by

the Town Manager.

2. **FEES FOR SERVICES**

A. The CONSULTANT agrees to charge the TOWN for the performance of the Specified Services which are provided by CONSULTANT, in accordance with the fee schedule which is set forth in Exhibit "B", a copy of which is attached hereto and incorporated herein, plus reasonable and necessary costs as approved by the Town Manager.

B. Fees and costs shall be invoiced in the month following performance of service and expenditure of costs by CONSULTANT, pursuant to advance requests from the Town Manager. Other than the services covered by this agreement, no work shall be undertaken by CONSULTANT unless authorized in writing by the Town Manager pursuant to a work authorization.

C. Invoices shall also reflect a record of time expended by CONSULTANT in providing the Specified Services, for TOWN's information.

3. **TERM**

The duration of the term of this Agreement shall commence on the 7<sup>th</sup> day of October, 2019 and shall terminate on the anniversary date. The Town Manager, in his sole discretion, may renew the agreement on behalf of the Town for additional one-year periods, under the same terms as described in this agreement, by providing written authorization to the CONSULTANT.

4. **ASSIGNMENT**

This Agreement involves skilled professional services and shall not be assignable by the CONSULTANT.

5. **PROHIBITION AGAINST CONTINGENT FEES; OTHER MATTERS**

The CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT, to solicit or secure this

Agreement, and that it has not paid or agreed to pay any person(s), company, corporation, individual or firm, other than a bona fide employee working solely for the CONSULTANT any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.

6. **TERMINATION**

This Agreement may be terminated by the TOWN upon thirty (30) days written notice with or without cause and by the CONSULTANT upon thirty (30) days written notice with or without cause. If this Agreement is terminated, the CONSULTANT shall be paid in accordance with the provisions of Paragraph 2 above, for all acceptable work performed up to the date of termination.

7. **NONEXCLUSIVE AGREEMENT**

The services to be provided by the CONSULTANT pursuant to this Agreement shall be nonexclusive and nothing herein shall preclude the TOWN from engaging other firms to perform the same or similar services for the benefit of the TOWN within the TOWN's sole and absolute discretion.

8. **RECORDS**

All original reports, documents, analysis and materials (the "Materials") that result from the CONSULTANT providing Specified Services shall be the property of the TOWN. Upon termination of this Agreement or upon request of the TOWN during the term of this Agreement, any and all such Materials shall be delivered to the TOWN by the CONSULTANT. CONSULTANT understands that its work product may be considered a public record and subject to Florida Statutes Chapter 119.

9. **ENTIRE AGREEMENT**

The parties hereby agree that this is the entire agreement between the parties. This

Agreement cannot be amended or modified without the express written consent of the parties. The Town Manager shall act for Town hereunder, subject to review and approval of such written consent by the Town Attorney as to form and legal sufficiency.

10. **WARRANTIES OF CONSULTANT**

The CONSULTANT hereby warrants and represents that at all times during the term of this Agreement it shall maintain in good standing all required licenses, certifications and permits required under Federal, State and local laws necessary to perform the Specified Services and will timely file all required reports.

11. **INSURANCE**

A. The CONSULTANT shall at all times carry comprehensive general liability and contractual liability insurance, workers' compensation insurance (if applicable), and automotive liability insurance, with minimum policy limits for each coverage in the amount of at least One Million (\$1,000,000.00) Dollars per occurrence, combined single limit, for property damage and bodily injury, including death, except that the dollar amount of workers compensation coverage (if applicable) shall be as provided by Chapter 440, Fla. Stat. The TOWN shall be named as an additional insured on all of the above insurance policies, to the extent permitted by law. Each insurance policy shall state that it is not subject to cancellation or reduction in coverage without written notice to the TOWN 30 days prior to the effective date of cancellation or reduction of coverage.

B. CONSULTANT shall indemnify and hold harmless the TOWN, its officers, agents, elected officials and employees, from liabilities, damages, losses and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness or intentional wrongful conduct of the CONSULTANT and persons employed or utilized by the

CONSULTANT in the performance of the Agreement, except that neither the CONSULTANT nor persons employed or utilized by the CONSULTANT will be liable under this paragraph for liabilities, damages, losses, or costs resulting from negligent acts, errors, or omissions by the TOWN or any of Town's officers, agents, or employees during the performance of this Agreement.

12. **NOTICES**

All notices and communications to the TOWN or CONSULTANT shall be in writing and shall be deemed to have been properly given if transmitted by registered or certified mail or hand delivery. All notices and communications shall be effective upon receipt. Notices shall be addressed as follows:

Town: Edward Pidermann  
Town Manager  
Town of Miami Lakes  
6601 Main Street  
Miami Lakes, FL 33014

With a copy to: Town Attorneys

Consultant: Estrada Hinojosa & Company, Inc.  
55 Merrick Way, Suite 216  
Coral Gables, FL 33134  
Attention: Lourdes Reyes Abadin

Estrada Hinojosa & Company, Inc.  
1717 Main Street, 47<sup>th</sup> Floor  
Dallas, TX 75201  
Attention: Robert A. Estrada

13. **GOVERNING LAW**

This Agreement shall be construed in accordance with the laws of the State of Florida. Venue for litigation hereunder shall be in Miami-Dade County, Florida. In any action filed, the

prevailing party shall be entitled to attorney's fees and costs.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms and conditions above stated on the day and year first above written.

CONSULTANT:

ESTRADA HINOJOSA &  
COMPANY, INC.

By: Lourdes Abadin  
Lourdes Reyes Abadin  
Title: Managing Director

Digitally signed by Lourdes Abadin  
DN: cn=Lourdes Abadin, o=Estrada  
Hinojosa & Company, Inc., ou,  
email=abadin@ehmuni.com, c=US  
Date: 2019.10.09 11:53:31 -0400

TOWN:

TOWN OF MIAMI LAKES  
6601 Main Street  
Miami Lakes, FL 33014

By: Edward Pidermann  
Edward Pidermann  
Title: Town Manager

Attest: M. B. [Signature]  
Corporate Secretary

Attest: [Signature]  
Town Clerk  
Gina Inguanzo

Approved as to Form and Legal Sufficiency:

[Signature]  
Town Attorney  
Lorenzo Cobiella

**EXHIBIT "A"**  
**SCOPE OF SERVICES**

**A1. Services – Line of Credit**

1. Consultant will assist the Town of Miami Lakes (the "Town") with obtaining a Line of Credit (the "LOC") to provide liquidity to the Town for any potential storms or hurricanes that would require the financing of clean-up, collection and disposal of solid waste or other permitted costs to provide General Fund cash-flow relief.
2. Consultant will attend any and all meetings of governing body of the Town, its staff, representatives or committees as requested by the Town, at all times when Consultant may be of assistance or service and the subject of financing is to be discussed.
3. Consultant will work with the Town, its staff and any consultants employed by the Town in developing financial feasibility studies and analyzing alternative financing plans.
4. Consultant will conduct a survey of the financial resources of the Town to determine the extent of its capacity to authorize, issue and service debt. This survey will include an analysis of existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Town. In the event revenues of existing or projected facilities operated by the Town are to be pledged to repayment of the Debt Instruments then under consideration, the survey will take into account any outstanding indebtedness payable from the revenues thereof, additional revenues, as projected by the Town. Consultant will also take into account future financing needs and operations as projected by the Town's staff and consulting engineers or other experts, if any, employed by the Town.
5. On the basis of the information developed by the survey described above, and other information and experience available to Consultant, Consultant will submit to the Town its recommendations on the LOC parameters under consideration including such elements as the date of issue, interest payment dates, schedule of principal maturities, portions of prior payment, security provisions, and any other additional provisions designed to make the issue attractive to investors. All recommendations will be based upon its professional judgment with the goal of designing a LOC Instruments which can be sold under terms most advantageous to the Town and at the lowest interest cost consistent with all other considerations.
6. Consultant will advise the Town of current bond market conditions, forthcoming bond issues and other general information and economic data which might

normally be expected to influence interest rates or bidding conditions so that the date of sale of the Debt Instruments may be set at a time which, in Consultant's opinion, will be favorable.

7. Consultant will advise the Town and its staff of changes, proposed or enacted, in Federal and State laws and regulations which would affect the municipal bond market.
  
8. Consultant understands the Town has retained, or will retain, firms of municipal bond attorneys (the "Bond Counsel") whose fees will be paid by the Town. In the event it is necessary to hold an election to authorize the Debt Instruments then under consideration, Consultant will assist in coordinating the assembly and transmittal to Bond Counsel of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices, and certificates in connection with the election.



**EXHIBIT "B"**

**FEE SCHEDULE**

**Services** - The Hourly Fees listed below would apply to the services rendered as described in Exhibit "A" and shall not exceed \$12,500.00 per fiscal year as defined in the TOWN charter.

**Hourly Fees** - The Hourly Fees would be in addition to the retainer for services relating to the LOC and would be for special and specific projects authorized in advance by the Town. Further, for any investment banking services provided by Consultant, the fees to be charged shall be disclosed and agreed to up front.

Principal/Senior Bankers	\$325 per hour
Associates	\$275 per hour
Administrative	\$ 85 per hour

## APPENDIX A

### DISCLOSURE STATEMENT REQUIRED

BY

### MUNICIPAL SECURITIES RULEMAKING BOARD

This Disclosure Statement is provided by Estrada Hinojosa & Co., Inc. ("Municipal Advisor") to **The Town of Miami Lakes** ("Client") in connection with the Municipal Advisor Engagement contract to which this Appendix A pertains (the "Agreement") and is dated as of the same date as the Agreement. This Disclosure Statement provides information regarding conflicts of interest pursuant to MSRB Rule G-42(b) and the events required to be disclosed to Client pursuant to MSRB Rule G-42 (c)(ii).

#### **Part A (Disclosures of Conflicts of Interest)**

MSRB Rule G-42 requires that municipal advisors provide to their clients disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable.

Accordingly, Municipal Advisor makes the following disclosures with respect to material conflicts of interest in connection with the Scope of Services under the Agreement, together with explanations of how Municipal Advisor addresses or intends to manage or mitigate each conflict. To that end, with respect to all of the conflicts disclosed below, Municipal Advisor mitigates such conflicts through its adherence to its fiduciary duty to Client, which includes a duty of loyalty to Client in performing all municipal advisory activities for Client. This duty of loyalty obligates Municipal Advisor to deal honestly and with the utmost good faith with Client and to act in Client's best interests without regard to Municipal Advisor's financial or other interests.

In addition, because Municipal Advisor is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of Municipal Advisor is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitability built on a foundation of integrity, quality of service, and strict adherence to its fiduciary duty. Furthermore, Municipal Advisor's supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of Municipal Advisor potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any

specific conflict disclosed below.

1. **Compensation-Based Conflicts.** If fees due under this Agreement are partially based on the size of a bond Issue and contingent upon the delivery of the bonds, this form of compensation has the potential to create a conflict of interest. While customary in the municipal securities market, the potential conflict of interest arises from the incentive for a Municipal Advisor to recommend unnecessary financings or financings that are disadvantageous to Client, or to advise Client to increase the size of the issue. This conflict of interest is mitigated by the general mitigations described above.
2. **Other Municipal Advisor or Underwriting Relationships.** Municipal Advisor serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of Client. For example, Municipal Advisor serves as municipal advisor to other municipal advisory clients and, in such cases, owes a duty to such other clients just as it does to Client under this Agreement. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering.

In acting in the interests of its various clients, Municipal Advisor could potentially face a conflict of interest arising from these competing client interests. In other cases (such as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities), the interests of Municipal Advisor to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that Municipal Advisor serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair Municipal Advisor's ability to fulfill its duties to Client.

3. **Broker-Dealer Business.** Municipal Advisor is a broker-dealer that provides underwriting services to its clients, in addition to serving as a municipal advisor. Such underwriting activities may be undertaken on behalf of, or as counterparty to, current or potential investors in the securities of Client. These other clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of Client, such as when their buying or selling of Client's securities may have an adverse effect on the market for Client's securities, and the interests of such other clients could create the incentive for Municipal Advisor to make recommendations to Client that could result in more advantageous pricing for the other clients. Any potential conflict arising from Municipal Advisor effecting or otherwise

assisting such other clients in connection with underwriting transactions is mitigated by means of such activities being engaged in on customary terms under an active and long-standing regulatory structure, thereby reducing the likelihood that the interests of such other clients would have an impact on the services provided by Municipal Advisor to Client under this Agreement.

At this time, there are no *actual* material conflicts of interest known to Municipal Advisor in connection with the current Agreement. Municipal Advisor has listed the *potential* conflicts of interest to comply with MSRB Rule G-42.

**Part B (Disclosures of Information Regarding Legal Events and Disciplinary History)**

MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel. The following legal or disciplinary events may be material to Client's evaluation of Municipal Advisor or the integrity of Municipal Advisor's management or advisory personnel:

1. In March 2012, the Municipal Advisor paid a \$10,000 fine to settle a FINRA enforcement matter arising from the late filing of Final Official Statements.
2. In July 2015, the Municipal Advisor paid a \$17,500 fine to settle a FINRA enforcement matter arising from the late and/or inaccurate reporting of municipal bond trades.
3. In September 2015, the Municipal Advisor settled an enforcement action brought by the United States Securities and Exchange Commission as a result of their Municipal Continuing Disclosure Initiative (MCDC). As part of the settlement, the Municipal Advisor paid a \$40,000 fine.

A full report of the Municipal Advisor's disciplinary history, including the events summarized above, can be found on the Municipal Advisor's Form MA and Form MA-I filings. These filings are available online in the EDGAR database maintained by the United States Securities and Exchange Commission at this location: <https://www.sec.gov/cgi-bin/browse-edgar?company=estrada+hinojosa&owner=exclude&action=getcompany>

The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by Municipal Advisor in its capacity as a broker-dealer on Form BD or Form U4 as applicable. The disclosures filed on Form MA and Form MA-I were all filed on Form BD or U4 for the applicable event. Detailed information provided by Municipal Advisor on Form BD or Form U4 is publicly accessible through reports generated by FINRA's BrokerCheck at <http://brokercheck.finra.org>. For purposes of accessing

such BrokerCheck reports, Municipal Advisor's CRD number is 19299.

The disclosure items listed above were all related to the Underwriting business segment of Estrada Hinojosa & Co., Inc.; not from any activity relating to our Municipal Advisory business segment. The events themselves were technical in nature and did not involve any investor harm or market disruption. The Municipal Advisor last updated Form MA on September 1, 2016.

**Part C Future Supplemental Disclosures**

As required by MSRB Rule G-42, this Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of Municipal Advisor. Municipal Advisor will provide Client with any such supplement or amendment as it becomes available throughout the term of the Agreement.

Sincerely,

*Estrada Hinojosa + Company, Inc.*

Estrada Hinojosa & Company, Inc.