

RESOLUTION NO. R-2016-04

A RESOLUTION AUTHORIZING AND APPROVING AN
AGREEMENT BETWEEN CITY OF WARD, ARKANSAS,
AND MCGUE LAW FIRM

WHEREAS, the City Council of the City of Ward, Arkansas, (the "Council") has determined that it is in the best interest of the City of Ward, Arkansas, (the "City") to enter into the attached Agreement (the "Agreement") with McGue Law Firm ("McGue");

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Ward, Arkansas:

Section 1. The Agreement, in substantially the form presented at the meeting at which this Resolution is addressed, is hereby approved, and the Mayor of the City is authorized to execute the Agreement on behalf of the City, with such changes as may be approved by the Council consistent with the Agreement presented and the terms of this Resolution.

Section 2. (a) The Mayor is authorized to execute such writings and take such actions as may be appropriate to carry out the terms of this Resolution.

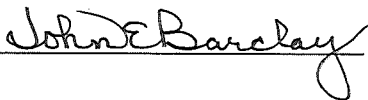
(b) Action heretofore taken by the Mayor and consistent with the purposes of this Resolution, including execution of the agreement, is hereby ratified.

Section 3. It has been found that the Agreement is plainly in the interest of the City of Ward, Arkansas, and that its execution is essential to the operation of a sewer treatment plant upgrade/replacement system. Therefore, this Resolution, being necessary for the preservation of the public health and safety, shall be in effect upon its adoption.

ADOPTED this 14th day of March, 2016.



ATTEST:





LEGAL SERVICES AGREEMENT

This agreement made this ____ day of _____, 2016, between CITY OF WARD, ARKANSAS hereinafter referred to as "Owners", and MCGUE LAW FIRM, hereinafter referred to as "Attorney".

WHEREAS, Owners are a municipality of the State of Arkansas; and

WHEREAS, the Attorney agrees to perform all legal services necessary to the financing, construction, and initial operation of a sewer treatment plant upgrade/replacement system;

WITNESSETH:

That for and in consideration of the mutual covenants and promises between the parties hereto, it is hereby agreed:

SECTION A – LEGAL SERVICES

That the Attorney will perform such services as are necessary to accomplish the above recited objectives including, but not limited to, the following:

1. Furnish advice and assistance to the governing body of the City in connection with (a) the notice for and conduct of meetings; (b) the preparation and enactment of such resolutions as may be necessary in connection with the authorization, financing, construction, and initial operation of the system; (c) the preparation of such affidavits, publication notices, ballots, reports, certifications, and other instruments and advice as may be needed in the conduct of such bond elections as may be necessary; (d) the preparation and completion of such bonds or other obligations as may be necessary to finance the system; (e) the completion and execution of documents for obtaining a loan made or insured or a grant made by the United States of America, acting through the Rural Utilities Service, U.S. Department of Agriculture; (f) entering into construction contracts; (g) preparation and adoption of Rules and Regulations, and rate schedules; (h) such other action as may be necessary in connection with the financing, construction, and operation of the system.
2. Review of construction contracts, bid-letting procedure, and surety and contractual bonds in connection therewith.
3. Preparation, negotiation, or review of contract with a city or other source of water supply when necessary.
4. Preparation, where necessary, and review of deeds, easements and other rights-of-way documents, and other instruments for sites for source of water supply, pumping stations, treatment plants, and other facilities necessary to the system and to

provide continuous rights-of-way therfor; rendering title opinions with reference thereto; and providing for the recordation thereof.

5. Obtain necessary permits and certificates from county and municipal bodies, from State regulatory agencies, and from other public or private sources with respect to the approval of the system, the construction and operation thereof, pipeline crossings, and the like.

6. Cooperate with the engineer employed by Owners in connection with preparation of tract sheets, easements, and other necessary title documents, construction contracts, water supply contracts, health permits, crossing permits, and other instruments.

7. When applicable, secure assistance of and cooperate with recognized bond counsel in the preparation of the documents necessary for the financing aspects of the system. The attorney shall pay all bond counsel in perfecting the financing aspects, e.g., assessment procedures and completing of documents. Where bond counsel is retained, the Attorney will not be responsible for the preparation and approval of those documents pertaining to the issuance of the Owner's obligations.

SECTION B – COMPENSATION

1. Owners will pay to the Attorney for professional services rendered in accordance herewith. fees as follows:

Fees pursuant to attached Legal Service Fee Schedule, Arkansas Instrument
1780 Guide 3

2. Said fees to be payable in the following manner and at the following times:

Payment will be 60% at the closing of the Interim Loan with an additional 30% due at the USDA/RD loan closing with the remaining 10% due at the completion of the project. If an interim loan is not used, 90% will be due at the USDA/RD loan closing.

ATTORNEY:
MCGUE LAW FIRM

OWNERS:
CITY OF WARD, ARKANSAS

CLINTON D. MCGUE

LEGAL SERVICE FEE GUIDE
FOR RURAL DEVELOPMENT (RD) COMMUNITY PROGRAM PROJECTS

<u>RURAL DEVELOPMENT LOAN</u>		<u>BASIC FEE FOR SINGLE SITE*</u>	
\$ -0-	To \$ 100,000	\$4,000 – Flat Rate	
\$ 100,000	To \$ 250,000	\$4,000 – Plus 1.5% of amount in excess of \$100,000.	
\$ 250,000	To \$ 500,000	\$6,250 – Plus 1% of amount in excess of 250,000.	
\$ 500,000	To \$ 1,000,000	\$8,750 – Plus 0.5% of amount in excess of \$500,000	
In excess of	\$ 1,000,000	\$11,250 – Plus 0.25% of amount in excess of 1,000,000.	

*Add 20% for utility type projects other than single site construction.

*Add 20% for projects involving Bond Counsel. If Local Counsel is lead then Bond Counsel typically receives 50% of the total legal fee; however, this is negotiated between Local Counsel and Bond Counsel.

* For projects not involving Bond Counsel, the “Legal Services Agreement” should include that the actual legal service fee will be based on the project Attorney’s reasonable and customary hourly fee (hourly fee should be stated) multiplied by the number of actual hours worked on the project not to exceed the total legal service fee amount as determined in the above Fee Guide.

** If interim financing is utilized and the project involves Bond Counsel where they have performed additional legal work, then an additional sum of \$4,000 can be added to the total legal service fee after the fee is calculated utilizing the above Fee Guide.

** If a subsequent loan is required for the same project and involves Bond Counsel where they have performed additional legal work, then an additional sum of \$4,000 can be added to the total legal service fee after the fee is calculated utilizing the above Fee Guide.

**If the legal services to be provided will include assisting in forming a new entity or changing the existing entity’s organizational type, then additional legal expenses based on the Attorney’s normal reasonable and customary hourly fee not to exceed a stated maximum amount, can be considered in addition to the total legal service fee amount calculated in the above Fee Guide.