

CONSULTING AGREEMENT

This Consulting Agreement (Agreement) is made as of the ____th day of July, 2018, by and between NBS GOVERNMENT FINANCE GROUP, a California corporation, dba “NBS” (“Consultant”), and CORTINA COMMUNITY SERVICES DISTRICT (“Client”).

RECITALS

A. The Client desires to obtain certain consulting services for administration of two tax roll charges.

B. The Client desires to engage Consultant as an independent contractor to perform such services on the terms and conditions set forth herein.

In consideration of the foregoing and of the mutual promises set forth herein, and intending to be legally bound, the parties hereto agree as follows:

AGREEMENT

1. Services. Consultant shall perform the scope of services described in Exhibit A, which is attached hereto and incorporated herein by reference (“Services”). Any other services required or requested by Client shall be subject to mutual agreement of the parties and may be subject to additional scope of work and fee negotiations.

2. Term. The term of this Agreement shall commence when agreement is fully executed.

3. Compensation. Compensation to be paid by Client to Consultant shall be in accordance with the schedule set forth in Exhibit B, which is attached hereto and incorporated herein by reference. Client and Consultant recognize that the scope of the project may change from that defined in Exhibit A and that significant changes in the scope of services will require renegotiation of fees.

4. Expenses. Except certain billable expenses as set forth in Exhibit B, Consultant will be responsible for all of its expenses incurred in performing the Services hereunder.

5. Qualifications of Consultant. Client has relied upon the professional training and ability of Consultant to perform Services hereunder as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all Services under this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

6. Independent Contractor Status. The relationship of Consultant and Client hereunder is an independent contractor relationship and nothing in this Agreement shall be construed to create any other relationship. No agent, employee, or representative of Consultant shall be deemed to be an agent, employee, or representative of Client for any purpose. Consultant agrees that neither it nor any of its employees, is entitled to the rights or benefits afforded to Client's employees, including disability or unemployment insurance, workers' compensation, medical insurance, sick leave, or any other employment benefit. Consultant is responsible for providing, at its own expense, disability, unemployment, workers' compensation, training, permits, and licenses for its employees. Consultant

does not have, nor shall it hold itself out as having, any right, power or authority to create any contract or obligation, either express or implied, on behalf of, in the name of, or binding Client.

7. Income Taxes. Consultant is responsible for paying when due all federal, state and local income taxes, incurred as a result of the compensation paid by Client to Consultant for Services under this Agreement. Consultant agrees to indemnify Client for any claims, costs, losses, fees, penalties, interest, or damages suffered by Client resulting from Consultant's failure to comply with this provision.

8. Insurance Requirements. Consultant, at its own cost and expense, shall procure and maintain, for the duration of this Agreement, commercial general liability insurance (said insurance shall have a limit for each occurrence of at least Two Million Dollars (\$2,000,000), and Four Million Dollars \$4,000,000 aggregate) naming Cortina CSD as additional insureds, in connection with Consultant's activities, officers, employees, officials, agents, officers, staff and Board members), workers' compensation insurance and employer's liability insurance as required by the State of California (said insurance shall not be less than One Million Dollars (\$1,000,000) per accident or disease), and professional errors and omissions liability insurance (said insurance shall cover Consultant's performance under this Agreement with a limit of liability of at least Two Million Dollars (\$2,000,000) for any one claim and aggregate), and automobile insurance with a limit of at least One Million Dollars (\$1,000,000). Prior to commencement of the Services, Consultant shall deliver to Client a Certificate of Insurance evidencing compliance with this paragraph. The certificate shall stipulate that advance written notice of cancellation of the required policy shall be given to the Client by any and all insurance companies.

9. Client's Responsibilities. The Client shall furnish Consultant with any pertinent information that is available to Client and applicable to the Services. The Client shall designate a person to act with authority on its behalf in respect to the Services. The Client shall promptly respond to Consultant's requests for reviews and approvals of its work, and to its requests for decisions related to the Services. Client understands and agrees that Consultant is entitled to rely on all information, data and documents (collectively, "Information") supplied to Consultant by Client or any of its agents, contractors or proxies or obtained by Consultant from other usual and customary sources including other government sources or proxies as being accurate and correct and Consultant will have no obligation to confirm that such Information is correct and that Consultant will have no liability to Client or any third party if such Information is not correct.

10. Indemnification. Consultant shall defend, indemnify and hold harmless Client, its officers, employees, officials and agents from and against all claims, demands, losses, liabilities, costs and expenses, including reasonable attorneys' fees, (collectively "Liabilities") arising out of or resulting from the negligence or willful misconduct of Consultant or a breach by Consultant of its obligations under this Agreement, except to the extent such Liabilities are caused by the negligence or willful misconduct of Client. Consultant will not be liable to the Client or anyone who may claim any right due to a relationship with Client, for any acts or omissions in the performance of Services under this Agreement, unless those acts or omissions are due to the negligence or willful misconduct of Consultant. Except in the case of Consultant's negligence, willful misconduct or breach of its obligations under this Agreement, Client shall defend, indemnify and hold harmless Consultant, its officers, directors, shareholders, employees and agents from and against all Liabilities to the extent that such Liabilities arise out of Consultant performing Services pursuant to the terms of this Agreement, including, without limitation, any Liabilities arising as a result of Client or any of its agents or contractors supplying incorrect Information or documentation to Consultant. The provisions of this Section 10 shall survive termination of this Agreement.

11. Limitation of Liabilities. Client hereby agrees that to the fullest extent permitted by law, Consultant's total liability to Client for any and all injuries, claims losses, expenses or damages whatsoever arising out of or in any way related to Consultant's Services under this Agreement from any cause or causes, including but not limited to Consultant's negligence, errors, omissions or breach of contract (hereafter "Client claims") shall not exceed the total sum paid on behalf of or to Consultant by Consultant's insurers in settlement or satisfaction of Client claims under the terms and conditions of Consultant's insurance policies applicable thereto. The provisions of this Section 11 shall survive termination of this Agreement.

12. Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, disability, ancestry, sex, gender identity, sexual orientation, or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

13. Attorneys' Fees. In the event of any action or other proceeding, including arbitration or other non-judicial proceedings, arising from, in, under or concerning this Agreement and any amendment thereof, including, without limiting the generality of the foregoing, any claimed breach hereof, the prevailing party in such action or proceeding shall be entitled to recover from the other party in such action or proceeding, such sum as the court shall fix as reasonable attorneys' fees incurred by such prevailing party.

14. Compliance with Law. In connection with the services rendered hereunder, Consultant agrees to abide by all federal, state, and local laws, ordinances and regulations.

15. Entire Agreement; Amendment. This Agreement, including the Exhibits attached hereto, constitutes the final, complete and exclusive statement of the terms of the agreement between Client and Consultant with respect to the transactions contemplated hereby and supersedes all prior and contemporaneous agreements, arrangements or understandings between them with respect thereto. This Agreement may not be amended, modified or changed except by instruments in writing signed by all of the parties hereto.

16. Nonwaiver. No failure or neglect of either party hereto in any instance to exercise any right, power or privilege hereunder or under law shall constitute a waiver of any other right, power or privilege or of the same right, power or privilege in any other instance. All waivers by either party hereto must be contained in a written instrument signed by the party to be charged.

17. Controlling Law; Jurisdiction. This Agreement shall be construed and enforced in accordance with the laws of the State of California without reference to its choice of law provisions. The parties hereto hereby irrevocably waive any objection, including, without limitation, any objection to the laying of venue or based on *Forum Non Conveniens*, which it may now or hereafter have to the bringing of any action or proceeding in the manner, or in any of the jurisdictions, provided herein.

18. Counterparts. This Agreement may be executed in any number of counterparts and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

19. Further Assurances. The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to carry out the intent and purposes of this Agreement.

20. Successors and Assigns. Consultant and Client each binds itself, its partners, its successors, legal representatives and assigns to the other party of this Agreement and to the partners, successors, legal representatives and assigns of such other party in respect of all covenants and agreements contained herein.

21. Notices. All notices, requests, demands, and other communications required to or permitted to be given under this Agreement shall be in writing and shall be conclusively deemed to have been duly given (a) when hand delivered to the other party; or (b) when received when sent by e-mail or facsimile at the address and number set forth below (provided, however, that the receiving party confirms receipt of such notice by e-mail, facsimile or any other method permitted hereunder, and that any notice given by e-mail or facsimile shall be deemed received on the next business day if such notice is received after 5:00 p.m. (recipient's time) or on a non-business day); or (c) three business days after the same have been deposited in a United States post office with first class or certified mail return receipt requested postage prepaid and addressed to the parties as set forth below; or (d) the next business day after same has been deposited with a reputable overnight delivery service reasonably known by the parties (such as FedEx, DHL WorldWide Express, California Overnight, USPS Priority Mail Express, etc.), postage prepaid, addressed to the parties as set forth below with next-business-day delivery guaranteed, provided that the sending party receives a confirmation of delivery from the delivery service provider.

If to Consultant:

NBS Government Finance Group
Attention: Michael Rentner, Chief Executive Officer
32605 Temecula Parkway, Suite 100
Temecula, CA 92592
Telephone: (951) 296-1997
Fax No.: (951) 296-1998
E-Mail: mrentner@nbsgov.com

If to Client:

Cortina Community Services District
Attention: Peter Kampa, General Manager or Amy Gibbons
PO Box 43
Arbuckle, CA 95912
Telephone: 209-591-7000

Email: pkampa@kampacs.com or wsualumamy@icloud.com

22. References and Titles. All references in this Agreement to Articles, Sections, Subsections and other subdivisions refer to corresponding Articles, Sections, Subsections and other subdivisions of this Agreement unless expressly provided otherwise. Titles appearing at the beginning of any subdivision are for convenience only and do not constitute any part of such subdivision and shall be disregarded in construing the language contained in such subdivision. The words this Agreement, this instrument, herein, hereof, hereby, hereunder, and words of similar import refer to this Agreement as a whole and not to any particular subdivision unless expressly so limited. Pronouns in masculine, feminine and neuter genders shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and vice versa, unless the context otherwise requires.

23. Time. Time is of the essence.

24. No Third Party Beneficiaries. Nothing contained in this Agreement is intended to and nothing contained herein shall be interpreted to confer on any party the rights of a third party beneficiary and this Agreement shall be for the sole benefit of the parties hereto.

25. Severability. If any term, covenant, condition or provision of this Agreement, or the application thereof to any person or circumstances is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will, nevertheless, continue in full force and effect without being impaired or invalidated in any way.

26. Language. The language of this Agreement shall be construed as a whole and in accordance with the fair meaning of the language used. The language of this Agreement shall not be strictly construed against either party based upon the fact that either party drafted or was principally responsible for drafting this Agreement or any specific term or condition hereof.

27. Termination. This Agreement may be terminated by either party by giving thirty (30) business days written notice to the other party of its intent to terminate this Agreement. Upon termination, Consultant shall be entitled to compensation for services performed up to the effective date of termination and Client shall be entitled to all work performed to that date.

IN WITNESS WHEREOF, Client and Consultant have executed this Agreement on the day and year first above written.

CONSULTANT

NBS GOVERNMENT FINANCE GROUP,
a California corporation, dba NBS

CLIENT

CORTINA COMMUNITY SERVICE DISTRICT

By: _____
Name: Michael Rentner
Title: Chief Executive Officer
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

Attachments:

- Exhibit A: Consultant Scope of Services
- Exhibit B: Compensation for Services



EXHIBIT A

CONSULTANT SCOPE OF SERVICES

Phase 1: As a one-time project, NBS will research and review documents and data related to the two parcel charges levied by the Cortina CSD, and provide a brief (one or two page) memo highlighting the findings as they relate to the annual levy of the two charges which support the Client with annual revenues. These charges are a Community Facilities District for annual police and fire services as well as another annual charge for services, which is an assessment or property-related fee.

Phase 2: NBS will provide annual services as detailed below for these two charges.

Community Facilities District Administration (Non-Bonded)

DATA COLLECTION

NBS will gather and review data pertinent to the administration of the Community Facilities District. Data will be obtained from various sources such as assessor's parcel maps, building permits and county assessor information as determined to be necessary based on the requirements of the Rate and Method of Apportionment. NBS will maintain and periodically update a database of all parcels within the district and relevant parcel information.

ADMINISTRATIVE COST RECOVERY

NBS will identify all costs associated with the administration of the Community Facilities District and recover those costs through the levy process as outlined in §53317(e) and §53340 of the Government Code of the State of California. Such costs may include, but are not to be limited to: bank fees, legal fees, county tax collection fees, and all costs and expenses of the public agency and its consultants related to district administration.

SPECIAL TAX REQUIREMENT

NBS will calculate the annual Special Tax Requirement that will include all necessary components as outlined in the Rate and Method of Apportionment, such as funds necessary for authorized services and maintenance, administrative expenses, collection for direct financing of services or facilities, and credits as determined from the analysis of the district funds.

LEVY CALCULATION

NBS will calculate the annual special tax levy for each parcel within the Community Facilities District following the guidelines established in the Rate and Method of Apportionment.

LEVY SUBMITTAL

NBS will submit the levy to the County Auditor Controller in the required format and medium (i.e. tape, diskette). Special Taxes rejected by the County Auditor Controller will be researched and resubmitted for collection on the County Tax Roll. Any parcels that are not submitted to the County for collection will be invoiced directly to the parcel owner, with payment submitted to the public agency.

SPECIAL TAX LEVY REPORT

NBS will provide an annual Special Tax Levy Report. This report will include a parcel listing with levy amounts and other parcel information, the details of the annual Special Tax Requirement, current delinquency information, fund analysis, administrative expenses to be recovered, and status of the project and current issues affecting the District.

DELINQUENCY MONITORING

NBS will provide a comprehensive list of delinquencies after each special tax installment becomes due. The delinquency report will provide the District's overall delinquency percentage as well as a detailed list of each delinquent parcel, with the name and address of the delinquent parcel owner, the delinquent amount and penalties.

NOTICE OF SPECIAL TAX DISCLOSURE

NBS will provide Notice of Special Tax Disclosure notices to requesting parties as required by §53340.2 and §53341.5 of the Government Code of the State of California. The fee of any Notice of Special Tax shall be billed to the party requesting the disclosure form.

TOLL-FREE PHONE NUMBER

NBS will provide a toll-free phone number for use by the Client and other interested parties and all property owners. Our staff will be available to answer questions regarding the District and ongoing collection of the special tax. Bilingual staff is available for Spanish-speaking property owners.

CSD Parcel Charge Administration

DATA COLLECTION

NBS will gather and review data pertinent to the administration of the CSD Parcel Charge. Data will be obtained from various sources such as assessor's parcel maps and county assessor information as determined to be necessary based on the requirements of the tax formula.

QUALITY CONTROL

NBS will perform cross-reference tests looking at the various data sources, land use codes, and other pertinent information to ensure the best and most accurate charge application.

DATABASE MAINTENANCE

NBS will maintain and periodically update a database of all parcels within the district and relevant parcel information.

CHARGE CALCULATION

NBS will calculate the annual levy for each parcel within the district following the guidelines established in the formula.

COUNTY SUBMITTAL

NBS will submit the levy to the County Auditor Controller in the required electronic format. Charges rejected by the County Auditor Controller will be researched and resubmitted for collection on the County Tax Roll. Any parcels that are not submitted to the County for collection will be invoiced with payment to be directed to the public agency.

REPORTING

NBS will prepare an annual Levy Report. The report will include a parcel listing with levy amounts. Parcel and levy data can be provided via a CD ROM, diskette or emailed electronic file, if desired.

PHONE SUPPORT

NBS will provide a toll-free phone number for use by the agency and all property owners. Staff shall be available to answer questions regarding the ongoing collection of special taxes. Bilingual staff will be available for Spanish-speaking property owners.

EXHIBIT B

COMPENSATION FOR SERVICES

PHASE 1 REVIEW

Hourly Not to Exceed Consulting Fee (one-time) \$5,000

PHASE 2 SERVICES

CFD Annual Administration Fee \$3,500 plus 2.50 per taxed parcel
 CSD Charge Annual Administration Fee \$6,000 plus 2.50 per charged parcel

(The CSD annual charge may be lowered from \$6,000 to \$4,500 if it is determined in the initial review that the level of complexity is not significant, and an annual engineer’s report is not needed. Both fees are based on four zones. The addition of any zones could affect the fee, but would be discussed in advance with the Client.)

ANNUAL FEE INCREASES

Cost of living increases may be applied to the annual services listed above, if the Client authorizes the continuation of said services, on October 1 each year, beginning with October 1, 2019. The COLA would be the actual cost of living increase based on the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for all urban consumers for the Northern California counties.

EXPENSES

Customary out-of-pocket expenses will be billed to the Client at actual cost to NBS. These expenses may include, but not be limited to, mailing fulfillment, postage, reproduction, telephone, travel, meals and various third-party charges for data, maps, and recording fees.

ADDITIONAL SERVICES

The following table shows our current hourly rates. Services authorized by the Client will be billed at this rate or the then applicable hourly rate.

Title	Hourly Rate
Director	\$205
Associate Director	\$190
Senior Consultant / Engineer / Manager	\$ 160
Consultant	\$140
Analyst	\$120
Clerical/Support	\$ 95

TERMS

Consulting services will be invoiced on a monthly basis upon completion of task. Annual services will be invoiced at the beginning of each quarter. Expenses will be itemized and included in the next regular invoice. Fees for all other services will be invoiced upon completion of the task. If the project is prematurely terminated by either party, NBS shall receive payment for work completed. Payment shall be made within 30 days of submittal of an invoice. If payment is not received within 90 days simple interest will begin to accrue at the rate of 1.5% per month. Either party can cancel contracts with 30 days written notice.