

RESOLUTION R-32-06

A RESOLUTION AUTHORIZING EXECUTION OF A FINANCIAL
ADVISORY SERVICES AGREEMENT (EHLERS & ASSOCIATES, INC.)

WHEREAS, the City of Wheaton has committed to building a parking garage on Willow Avenue between Main Street and Cross Street; and

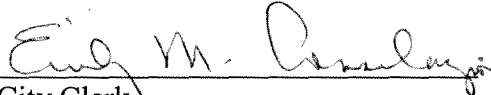
WHEREAS, it is necessary for the City to borrow approximately \$7.2 million to construct the parking facility; and

WHEREAS, Ehlers & Associates, Inc. has submitted a proposed for Financial Advisory Services with regard to the borrowing of the approximate \$7.2 million.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Mayor and City Council of the City of Wheaton, Illinois, that the City Manager is authorized to execute An Agreement for Financial Advisory services with Ehlers & Associates, Inc., a copy of which is on file with the City Clerk, and dated May 1, 2006.

ADOPTED this 1st day of May, 2006.

ATTEST:



City Clerk



Mayor

Ayes:

Roll Call Vote:

Councilman Johnson
Mayor Carr
Councilman Sues
Councilman Bolds
Councilwoman Corry

Nays:

None

Absent:

Councilman Levine
Councilman Mouhelis

Motion Carried Unanimously

**PROPOSAL AND AGREEMENT
INDEPENDENT FINANCIAL ADVISORY SERVICE
RELATED TO SALE OF APPROXIMATELY \$7.2 MILLION PUBLIC PARKING FACILITY
GENERAL OBLIGATION BONDS**

Don Rose, City Manager
City of Wheaton
303 W. Wesley Street
Wheaton IL 60187-5027

Dear Mr. Rose,

The following is a proposal to engage Ehlers & Associates, Inc. (Ehlers) as financial advisors to the City of Wheaton, Illinois (the "City"). Ehlers will suggest and analyze all financing material and reports necessary to properly explain the project financing and execute certain financing by the sale of municipal obligations. Attached is a description of those services.

In return for the services described on the attachment in connection with the financing of a project and for each issue or series of obligations, Ehlers shall be entitled to a fee, due and payable only upon the closing of the sale of the obligations, as follows:

Issue Size	Fee	Issue Size	Fee
Less Than \$500,000	\$6,500	\$3,000,001 to \$3,500,000	\$14,750
\$500,001 to \$1,000,000	\$8,250	\$3,500,001 to \$4,000,000	\$15,250
\$1,000,001 to \$1,500,000	\$9,750	\$4,000,001 to \$4,500,000	\$15,750
\$1,500,001 to \$2,000,000	\$11,250	\$4,500,001 to \$5,000,000	\$16,250
\$2,000,001 to \$2,500,000	\$12,750	\$5,001,000 to \$6,000,000	\$17,000
\$2,500,001 to \$3,000,000	\$14,250	Over \$6,000,001 to \$30,000,000 add \$.50 per \$1,000 of bonds	

Based on this schedule the Ehlers' fee for a \$7.2 million bond issue would be \$17,600.

From this fee Ehlers will pay the costs of advertising the sale, preparation and distribution of the official statement, printing of the obligations, and normal company personnel travel and overhead expense required to service the bond issue. It is further agreed that the City reserves the right to reject all offers secured for the obligations.

Duties of the City

The City of Wheaton will authorize and direct its administration, attorneys, bond counsel, accountants, engineers, architects, actuaries, and other consultants to prepare and furnish such information as may be reasonably necessary for Ehlers to carry out its duties and obligations, all at no cost to Ehlers.

Respectfully submitted,

EHLERS & ASSOCIATES, INC.

By:

The above Proposal is hereby accepted by the City of Wheaton, Illinois, by its authorized officers this 1st day of May, 2006.

Attest: Emily M. Donnelly By: [Signature]
City Clerk Mayor

Accepted at the office of Ehlers & Associates, Inc. in Lisle, Illinois this _____ day of _____, 2006.

Jim Prosser, Executive Vice-President

SERVICES

Planning and Authorization

The following covers financial consulting services required from inception of the financing program through the actual authorization of the issuance of obligations -- to a point where the City is in a position to execute the financing by offering municipal obligations for sale. The Company shall:

1. Cooperate in every way with you, your architect or engineer, planner, attorney and other authorized representatives.
2. Study all available financing options.
3. With the aid of our computer services, project the effect of any proposed financing options on local taxes and other revenue bases through the financing period.
4. Submit written reports, including computer projections, to the City outlining the feasibility of the projects, comparing methods of financing, interest costs, tax rates, special assessments and other revenues demonstrating various options available to the City and their effect on long-range financial planning.
5. Recommend financing designed to best fit the resources and requirements of the City.
6. Consult with attorneys of your choice relative to all notices, minutes, resolutions and proceedings necessary to authorize the financing.
7. Attend meetings and public hearings necessary to properly explain the project financing.

Execution of Project Financing

As our standard service in marketing and issuing municipal obligations after authorization, we shall:

1. Serve as the City's independent financial advisor.
2. Refrain from any dealer or investor interest in any obligations of the City and receive no compensation in connection with the project financing, either directly or indirectly, from any source other than the compensation and reimbursement paid to us by the City under the terms of this proposal.
3. Cooperate in every way with you, your administration, planners, engineers and/or architects, attorneys and other authorized representatives.
4. Provide debt retirement schedules.

5. Consult with attorneys of your choice relative to notices, minutes, resolutions, and proceedings necessary for the issuance of obligations.
6. Advise you of bond market conditions and recommend sale details consistent with the City's objectives which will best assure the successful sale of your municipal obligations.
7. Research, author, produce and distribute a thorough, accurate official statement for the sale of the obligations.
8. Advertise the sale as required and in such other financial publications as will best assure competitive bidding for your obligations.
9. Where required or desirable, negotiate on behalf of the City with interested purchasers for the sale of obligations to obtain the best possible terms thereon for the City.
10. If required or advisable, prepare and forward financial, cultural, demographic and other descriptive material to rating agencies to secure a rating for the City's obligations.
11. As an independent agent, as may be requested, receive, complete and deliver bids to the sale on behalf of any underwriter or underwriters requesting such service.
12. Attend the sale of the obligations, compute bids, and advise you as to their acceptability in the light of bond market conditions.
13. Supervise the printing and/or execution of the obligations.
14. Coordinate our efforts with those of local counsel and recognized bond approving attorneys of your choice to better assure a valid approving opinion as to the legality of the obligations.
15. Supervise delivery of the obligations, closing the financial transaction, and delivery of proceeds to the City.
16. Provide a record book and all necessary data for the use of the City and its staff through the maturity of the issue.
17. Maintain all records of the proceedings until final maturity of the obligations.