



DATE: May 15, 2018
TOPIC: Chapman and Cutler LLP Letter of Engagement
PREPARED BY: Bob Ciserella

Executive Summary
Finance Committee Meeting

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Recommended Action:

Action: X

Discussion: _____

Information: _____

Purpose:

The Board of Education approves all contracts and expenditures greater than \$10,000.

Fiscal Impact:

The Board of Education has approved the issuance of \$3,000,000 in Working Cash Bonds and \$3,000,000 in Life Safety Bonds. The Working Cash Bonds are being issued with the intent of bolstering the district's fund balance. The Life Safety Bonds are being issued to fund projects identified in the recently completed Ten-Year Life Safety Survey.

The District's legal counsel has requested changes to the Chapman and Cutler LLP Letter of Engagement. All changes have been made as requested with the exception of Section C.5. Section C.5 provides that Chapman and Cutler will not perform an independent investigation to determine the accuracy, completeness or sufficiency of the Official Statement.

District legal counsel wanted to make sure the Board of Education is aware of the following: "While the language at Section C.5 is far better than originally proposed, this remaining disclosure that you and all others who review, revise or sign the Official Statement must be particularly careful to investigate the accuracy and completeness of all the facts within the Official Statement. You cannot simply rely on Chapman and Cutler to find errors. With that caveat, I am comfortable with the language of the engagement letter".

The fees associated with this recommendation are \$28,000 for Bond Counsel Services and \$9,500 for Disclosure Counsel Services.

Recommendation:

The Administration recommends that the Finance Committee support the recommendation to enter into an agreement with Chapman and Cutler LLP for Bond Counsel Services and Disclosure Counsel in the amounts of \$28,000 and \$9,500, respectively.