

## FIRST AMENDATORY AGREEMENT

**THIS FIRST AMENDATORY AGREEMENT** is made and entered into by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado (the "City"), and **HILLTOP SECURITIES INC.**, a Delaware corporation, with its principal place of business located at 1201 Elm Street, Dallas, Texas 75270 (the "Consultant"), collectively "the parties."

### WITNESSETH:

**WHEREAS**, the City and the Consultant previously entered into an Agreement dated January 20, 2018 relating to Financial Advisors services (the "Agreement"); and

**WHEREAS**, the City and Consultant wish to amend the Agreement to extend the Agreement and provide additional compensation for the additional work required by the extension;

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants and obligations herein set forth, the parties agree as follows:

1. The amended Scope of Work is attached hereto and incorporated herein as **Exhibit A-1**. All references to Exhibit A in the Original Agreement shall be amended to read: "**Exhibit A-1**."

2. Subsection b. of Section 3 of the agreement entitled "**TERM**" is amended to read as follows:

b. **Renewal Options.** The City shall have the unilateral option to renew the Initial Term for up to five (5) additional one-year terms. The first Renewal Term shall be from January 1, 2019 to December 31, 2019; the second Renewal Term shall be from January 1, 2020 to December 31, 2020; the third Renewal Term shall be from January 1, 2021 to December 31, 2021; the fourth Renewal Term shall be from January 1, 2022 to December 31, 2022; and the fifth Renewal Term shall be from January 1, 2023 to December 31, 2023 (each an "Annual Renewal"). Subject to the Manager's prior written authorization, the Consultant shall complete any work in progress as of the expiration date unless earlier terminated by the Manager.

3. Subsections a. and d. of Section 4 of the Agreement, entitled "**COMPENSATION AND PAYMENT**," is amended to read as follows:

a. **Fee:** The City shall pay and the Consultant shall accept as the sole compensation for general services rendered and costs incurred under the Agreement One Hundred Twenty Thousand Dollars (\$120,000.00) per year and

an additional amount of Eighty Thousand Dollars (\$80,000.00) for special projects and travel expenses if assigned by the City and agreed to by Work Order in the form attached as Exhibit B. If all Renewal Terms are effected, total compensation for the services and expenses provided under this Agreement shall not exceed Eight Hundred Thousand Dollars (\$800,000.00). Additionally, the City and Consultant may enter into a separate engagement letter on a per transaction basis where the City shall pay and the Consultant shall accept that the sole compensation for services rendered and costs incurred to be paid in the amount specified in the engagement letter solely from the proceeds of the transaction. If a transaction for which an engagement letter has issued does not close, services provided under such engagement letter shall not be paid through this Agreement. Amounts billed, whether for this Agreement or for an engagement letter, may not exceed the rates set forth in **Exhibit A-1**.

\*\*\*\*

**d. Maximum Contract Amount:**

- (1.) Notwithstanding any other provision of the Agreement, the City's maximum payment obligation, if all Renewal Terms are effected will not exceed Eight Hundred Thousand Dollars and **(\$800,000.00)** (the "Maximum Contract Amount"). The City is not obligated to execute an Agreement or any amendments for any further services, including any services performed by Consultant beyond that specifically described in **Exhibit A-1**. Any services performed beyond those in Exhibit A-1 are performed at Consultant's risk and without authorization under the Agreement.
- (2.) The City's payment obligation, whether direct or contingent, extends only to funds appropriated annually by the Denver City Council, paid into the Treasury of the City, and encumbered for the purpose of the Agreement. The City does not by the Agreement irrevocably pledge present cash reserves for payment or performance in future fiscal years. The Agreement does not and is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the City.

4. Except as herein amended, the Agreement is affirmed and ratified in each and every particular.

*Remainder of page left intentionally blank.*

**Contract Control Number:**  
**Contractor Name:**

FINAN-202056712-01/FINAN-201738726-01  
HILLTOP SECURITIES INC

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of:

**SEAL**

**CITY AND COUNTY OF DENVER:**

**ATTEST:**

By:

\_\_\_\_\_

\_\_\_\_\_

**APPROVED AS TO FORM:**

**REGISTERED AND COUNTERSIGNED:**

Attorney for the City and County of Denver

By:

By:

\_\_\_\_\_

\_\_\_\_\_

By:

\_\_\_\_\_

**Contract Control Number:**  
**Contractor Name:**

FINAN-202056712-01/FINAN-201738726-01  
HILLTOP SECURITIES INC

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

**Contract Control Number:**  
**Contractor Name:**

FINAN-202056712-01/FINAN-201738726-01  
HILLTOP SECURITIES INC

By: W. Jason Simmons

Name: W. Jason Simmons  
(please print)

Title: Managing Director  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

**Exhibit A-1  
SCOPE OF SERVICES**

**Professional Services Agreement with  
Hilltop Securities, Inc.  
for Municipal Advisory Services in connection with  
Direct Financial Obligations of the City and its non-Airport Enterprises**

**Fees:** \$800,000 contract maximum.

Annual Retainer: Up to \$120,000/year, payable quarterly at \$30,000/quarter. Up to \$80,000 for “Other Projects as Assigned.” Fees may be renegotiated at mutually agreed terms if the City chooses to amend the Agreement and this Exhibit A-1 to extend the contract beyond December 31, 2023.

Transaction Fees: In the event that the City closes on a bond issuance or enters into a lease wherein the trustee closes on a certificate issuance, the City shall remit or cause to be remitted payment out of the proceeds of the respective issuance at a rate not to exceed \$0.75 per bond but shall not be liable for payment related to services under the issuance under the terms of this Agreement. If an issuance is fixed rate using an existing credit structure of the City, the minimum per transaction fee shall be \$35,000.00 and the maximum fee shall be \$75,000.00. For new credit structures, or variable rate transactions the City and the Consultant may discuss alternative fee arrangements. Fees for serving as advisor to any swap transaction executed by the City will be negotiated separately. Expenses for out of state travel and lodging related to transactions must be approved by written Work Order prior to being allowed. To the extent possible, the approved expenses will be reimbursed out of the proceeds of the respective issuance instead of from the amounts set aside for special projects.

**Scope of Services:**

The Municipal Advisor (“MA”) will work under the direction of the Manager of Finance, or his/her designee(s), to provide municipal financial advisory services in connection with direct financial obligations of the City and its non-Airport Enterprises, including but are not limited to General Obligation Bonds (“GO”), Certificates of Participation (“COPs”), Excise Tax Revenue Bonds and Revenue Bonds for the City’s Wastewater and Golf Enterprises.

Services to be provided by the financial advisor may include, but are not be limited to, the following ongoing and transaction-specific tasks:

1. Provide ongoing independent financial advice, serving solely the interests of the City and acting as City fiduciary, and contribute creative and innovative ideas for financings for various City projects and management of the City’s debt portfolio.
2. Advise the City on its overall approach to the City’s financings, as directed, including working collaboratively with other City agencies, bond attorneys, feasibility consultants, underwriters, rating agencies, trustees, the SEC, MSRB and other professionals involved in the City’s financings.
3. Assist in developing and evaluating financial alternatives, strategies, funding sources, financing mechanisms, and financial risk and exposure with a holistic approach (Citywide financial objectives and fiscal management) for assigned project portfolios. This may require working with other City advisors when applicable.

4. Assist in preparing and evaluating financing structures, financial analysis, and financing strategies, including but not limited to revenue projections, cash flow analysis, capital plans, sensitivity analysis, risk modeling, benchmarking analysis, and cost benefit analysis.
5. Assist the City in reviewing and negotiating legal documents, including but not limited to bond ordinances, indentures and other financing documents, intergovernmental agreements, reimbursement agreements, revenue sharing agreements, etc. Advise the City on terms and conditions of credit and liquidity facilities and direct placements.
6. Advise the City on an appropriate method of sale. Assist the City in negotiated financings, including but not limited to assisting with the preparation and evaluation of the underwriter RFP, advising on market timing, syndicate policies, issue price and structure. Assist the City in competitive financings, including but not limited to assisting with preparing, publication and distribution of the sale documents, communication with syndicates and verification of bids.
7. Assist the City in developing and presenting information to various stakeholders, including but not limited to executive management, financial markets, investors, and ratings agencies. Advise and assist the City in the implementation of investor relations programs in connection with the City's financings and debt portfolio.
8. Evaluate and analyze proposals, including unsolicited proposals, on new financing tools, refunding opportunities and other financing ideas.
9. Assist the City in the review and analysis of local, state, and federal legislation and regulations pertaining to the City's financing program.
10. Assist the City in special projects relating to debt issuance and debt management, as assigned.
11. Serve as qualified independent representative to the City for non-Airport derivative related matters. Assist the City in the review, negotiation, execution, bidding and monitoring of interest rate derivative products, including the review of related policies as needed. Perform swap payment calculations as requested.
12. Provide recommendations on the management of the City's debt as requested, including but not limited to bond fund investments, asset/liability strategies, bond documentation and disclosure.
13. Provide ongoing advice and guidance on post issuance matters. Assist in the development of post transaction monitoring and reporting mechanisms as requested.
14. Attend meetings as requested.

#### **Other Projects as Assigned**

1. Upon the request of the Manager of Finance, or his/her designee(s), the MA may provide other financial consulting services as may be mutually agreed upon by the parties. A separate engagement letter or Task Order will be entered into for each task which will include the scope of services, timeline, and fees.