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December 28, 2015

Mr. Robert Bonetti, Finance Director City of Alachua 15100 NW 142nd Terrace Alachua, Florida 32615

RE: Proposal for Financial Advisor Services

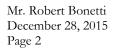
Dear Mr. Bonetti:

Public Financial Management, Inc. ("PFM") is pleased to submit this proposal to assist the City of Alachua (the "City") in the development of a plan of finance related to the City's proposed issuance of its Capital Improvement Refunding and Revenue Bonds, Series 2016 (the "2016 Bonds") to refund the City's outstanding Capital Improvement and Refunding Revenue Bonds, Series 2006 (the "Refunded Bonds") for debt service savings and issue new money for projects. PFM proposes to assist the City with the development of the plan of finance, implementation of the recommended plan of finance and completion of the entire transaction management process. When developing the plan of finance and implementing the transaction, PFM will undertake the following procedures:

- 1. Prepare financing scenarios to approximate the level of savings available through a refunding.
- 2. Prepare financing structure scenarios to provide estimated annual debt service payments on new projects.
- 3. Develop financing timetable and working group distribution list.
- 4. Assist the City with the procurement of other members of the financing team, including paying agent, escrow agent and verification agent (if needed).
- 5. Assist with the drafting and review of financing documents, to include an authorizing resolution and disclosure documents (preliminary official statement and official statement).
- 6. Prepare and distribute a credit package for delivery to rating analyst(s) and bond insurers.
- 7. Recommend a financing method of sale, and set-up the proper bid docs (competitive) or pricing strategy (negotiated) depending on the method selected by the City.
- 8. Develop financing numbers to demonstrate cash flow savings and sufficiency of escrow to pay off Refunded Bonds.
- 9. Draft closing/wiring instructions memorandum.
- 10. Oversee closing of the financing.

To assist the City with the development of the plan of finance and transaction management process described above, PFM would charge the City a fee of \$27,500 plus any out of pocket expenses at cost.

PFM is a registered municipal advisor with the SEC and the Municipal Securities Rulemaking Board ("MSRB") under the Dodd-Frank Act of 2010 (Registration #: 866-00397-00). PFM's obligation under this Agreement is solely to perform its services described above in a professional and timely manner conforming to generally accepted standards and practice for municipal advisors.





If you have any questions about this proposal or the scope of services involved please do not hesitate to give me a call. We look forward to continuing to serve the City as its financial advisor

Sincerely, Public Financial Management, Inc.

James W. Illove

James W. Glover Managing Director

Accepted:

Authorized Signatory City of Alachua, Florida