

Law Office of Steven A. Goldfield, Esquire
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January 5, 2022

Stephen Repasch
Executive Director
Bethlehem Authority
10 East Church St.
Bethlehem, PA 18018

Re: Terms of Engagement - Special Counsel to the Authority

Dear Steve:

It has been a great pleasure serving as financial advisor to the Bethlehem Authority (the "Authority") since 2005 both as a Senior Managing Director at Public Resources Advisory Group ("PRAG") and more recently as a Senior Counselor. We have accomplished a significant amount together and made meaningful improvements in the areas of rebate, investment policy, strategic planning, long term capital improvement planning and financing.

As you and I discussed, and as I discussed with Jim Broughal, Esquire, at the end of 2021, I determined that I would return to my roots as a public finance attorney beginning on January 1, 2022 (as opposed to serving from time to time in the dual role as financial advisor and attorney). As such, I allowed my formal licensure and registration as a financial advisor to expire, and I am no longer formally affiliated with PRAG. This should in no way be viewed in a negative fashion. I can assure you and the Board of the Authority that we will do our utmost to make sure that the Bethlehem Authority receives the highest quality service and advice it is accustomed to. The only differences we expect are: 1. two separate engagement letters, and 2. My hourly rate will be reduced by a modest amount.

For the newer Board members' information, I have been a public finance attorney since 1991 during which time I have served in the role of special counsel, solicitor, issuer's counsel, bond counsel, and underwriters' counsel. I am currently solicitor to three municipal authorities in the Commonwealth of Pennsylvania and have been brought in by clients' long term solicitors to bring a little additional expertise to bear on dozens of bond financings for municipal authorities and municipalities. The Authority is moving towards a very important refinancing opportunity during 2022; one in which the release of \$2 million maintained in the Maintenance Reserve Fund, and over \$8.4 million maintained in the Debt Service Reserve Fund will be sought to be released at the earliest possible time. We have been working together for years to "get to the other side of the 1998 Capital Appreciation Bonds" with the table set for the Authority to prosper on a long-term basis. The upcoming financing is likely to include a significantly, updated indenture that the Authority will be able to use for years to come. My role, will be to work with your Bond Counsel and Solicitor, and with PRAG and PFM to assure that all of the strides we have made, and the plans that have been put in motion are memorialized in the 2022 Bond Issue.

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This letter will confirm the terms upon which the Authority desires to retain my legal services.

1. **Scope of Services.** The scope of services will include serving as special counsel to the Authority in connection with the issuance of tax-exempt bonds (including the possibility of on a forward basis) by the Authority. The Authority will also be represented by its Solicitor and there will be a nationally recognized bond counsel rendering opinions with respect to the bonds being offered (currently Eckert Seamans). Bond Counsel will be providing an approving opinion under state and Federal tax laws and under the Securities and Exchange Act. Your Solicitor will provide opinions relating to the adoption of the bond resolution and execution and delivery of the key documents. My services will be focused on making sure that all of the features of the PRAG memoranda relating to the long-term plan of finance are captured in the updated indenture and memorialized in the offering document. I will also be reviewing the authorizing resolution and ordinance, and consulting on an as needed basis with the Authority and its Solicitor, reviewing and commenting on legal documents and the portion of any offering document relating to the Authority. If other services are required, such services should be requested by the Executive Director or the Solicitor and they will be provided subject to the terms and conditions of this letter, unless otherwise specified in writing.

2. **Staffing.** I will be the attorney in charge of this engagement.

3. **Fees.** The fee for representing you will be determined by the number of hours that I work on your legal matters, multiplied by my hourly rate. My current hourly rate for the Authority is \$300 per hour.

4. **Costs.** Out-of-pocket costs, such as messenger charges, photocopying, postage, conference- bridge lines will be advanced by us and billed to you at cost. Other costs may be billed directly to you upon prior arrangement, and the Authority will be expected to pay these costs directly to the vendors.

5. **Estimates.** Any estimate of fees and costs associated with a particular bond issue will be my best estimate based upon 30 + years of experience, but will not be a fixed fee or an agreed limit. My estimates are based on information known at the time and changes in circumstances and delays by other parties can have a material impact on my fees. The actual fees and costs incurred generally depend on a variety of factors, many of which are beyond my control. That being said, I have developed an excellent relationship with PRAG, Eckert Seamans and your Solicitor and I expect to be very efficient with my time. You also understand that, although I will perform my professional services on your behalf to the best of my ability, I cannot guarantee and I have not guaranteed the outcome. Any discussion I have with you about the outcome of the matter is my best professional estimate only, and is limited by my knowledge at the time the prediction is made.

6. **Billing Payment Due Date.** The Authority will pay me for legal services at the hourly rates set forth above from proceeds of the bonds at closing, so long as the financing closes on or before September 1, 2022, or, from such other amounts made available for such purpose. The

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Authority shall receive statements no more frequently than monthly for all services rendered and costs incurred. All of my statements will identify the individuals who performed services, their

billing rates, a description of and the dates on which the services were performed, an itemization of all out-of-pocket costs, any past due balance or remaining credit, any applicable interest charge, the total charges for the period and the total outstanding balance. By signing this agreement, you are authorizing me to charge the Authority on an hourly basis for services rendered and for fees and expenses incurred on your matter. In the event that my statements are not timely paid, or that payment terms satisfactory to us are not established, we reserve the right to renegotiate the terms of this engagement, to terminate it and withdraw from this or any representation of you, and/or to pursue our other remedies.

7. **Termination.** You may terminate this agreement at any time. Following termination we will submit a final invoice for services rendered and costs incurred which will be due and payable upon receipt. Similarly, we reserve the right to terminate our representation of you for any reason upon reasonable notice to you. Failure to timely pay an amount due under this Agreement will cause us to terminate our representation. In the event that you or the firm terminate the representation for any reason, you hereby agree to pay us on demand our costs of copying documents and the fees and other costs incurred in the termination of the representation and any transfer of documents or information to you. Unless previously terminated, our representation of you will terminate upon sending you our final statement for services rendered in this matter.

8. **Retention of Files.** A file will be established regarding your matter. This file, during the course of our representation, will contain important legal documents. The file will also contain documents prepared by attorneys that reflect the attorneys' thoughts, conclusions and impressions regarding your matter. Should you demand, at a future time, removal of your file from my office, I reserve the right to retain all attorney work-product documents generated by me or my professional staff. Upon conclusion of the matter, my office will retain the matter file for six (6) years, during which time I will await written instructions from you regarding disposition of your files. Absent written instructions from you regarding disposition of your file, upon expiration of six (6) years following the conclusion of this matter, I reserve the right to store or destroy your file.

9. **Conflicts.** I am unaware of any conflicts of interest with respect to my representation of the Authority. If any potential conflicts of interest arise in the course of my legal practice, I will notify you in writing of any issues or concerns.

10. **Entire Agreement.** These terms constitute our entire Agreement. There are no other arrangements or agreements regarding my legal representation of the Authority that are not expressed in this Agreement. Any modification of the Agreement must be in writing, by mail or e-mail. This Agreement is binding on you the Authority and any legal representatives and successors of the Authority.

If you have any questions about this letter or anything else regarding your relationship with me as legal counsel, please do not hesitate to call. Assuming you are in agreement please sign below and return a signed copy to me.

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I want to take this opportunity to again thank you for allowing me to represent the Authority.
I look forward to a mutually satisfactory relationship.

AGREED AND ACCEPTED

BETHLEHEM AUTHORITY

By: _____

By: Steve Goldfield
Steven A. Goldfield, Esquire