

Mendocino Coast Health Care District

Proposal for Hospital Project
Consulting Services

July 2023



EASTSHORE CONSULTING

FINANCIAL ADVISORY & FACILITIES PLANNING · FISCAL CONSULTING · ELECTION STRATEGIES & PUBLIC RELATIONS

1714 Franklin Street, #100-406 • Oakland, CA 94612
(510) 725-2930 • info@eastshoreconsulting.com

Letter of Interest

Lee Finney, Chair of the Board of Directors
Mendocino Coast Health Care District
P.O. Box 569 / Fort Bragg, California 95437

Transmitted via Email: lfinney@mcdh.org

July 25, 2023

Dear Chair Finney:

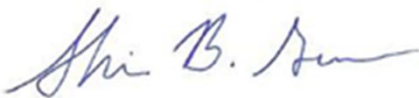
In response to your District's Request for Proposals (RFP) for Hospital Project Consulting Services, please find the joint proposal of our firms, Eastshore Consulting LLC and EMC Research, in the following pages. Per your direction, we are submitting this PDF directly to your email.

Eastshore is a Municipal Advisory limited liability corporation formed in California operating from a single office in Oakland. EMC is a national full-service opinion research firm serving a diverse range of public and private sector clients. While the Mendocino Coast Health Care District (MCHCD) can rely upon the full attention of Eastshore and EMC's principals and associated staff, your primary contact will be me, Shin Green. Our firm's contact and registration information is as follows:

Eastshore Consulting LLC
1714 Franklin Street #100-406, Oakland, CA 94612
Phone: (510) 725-2930 / Fax: (510) 644-9340
Email: shin@eastshoreconsulting.com
MSRB Registration #: K0786 / SEC File No.: 867-01304-15758482

It has been our pleasure work with MCHCD for more than a decade, and we very much appreciate having this opportunity to continue being of service. We would be honored to work with you, the rest of the Board, and the broader Mendocino Coast community. As you will see in the following pages, Eastshore and EMC have completed projects similar to the scope outlined in the RFP (including for MCHCD), and we are prepared to begin immediately. Should there be any questions – or anything else we can do for you in this process – please do not hesitate to contact us.

Sincerely,



Shin Green, Principal
Eastshore Consulting LLC

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Appendix #1. *MCHCD Community Presentation*

Appendix #2. *Previous Contracts with MCHCD, Eastshore and EMC*

Summary

Introduce the proposal and summarize the key provisions of the proposal. Based on your firm's expertise and qualifications, explain why your firm is best suited to provide the services described herein.

Simply put, the principals at Eastshore and EMC offer a robust range of services, clear and straightforward explanations of your challenges, **and a deep understanding of the nuances of MCHCD borne out of more than a decade of work with the District**, all at very competitive rates. We understand the challenges you face, have helped you share the future with your community, and are excited to renew our work with you.

Understanding that the potential pathways to meeting District goals may include a combination of voter-approved General Obligation Bonds, District-backed revenue bonds and other grant sources, many of which are subject to the unique oversight and regulatory environment for health care districts, our team has the broad-based experience to compile the various sources and options into a plan specific to the needs and desires of the District and broader community it serves. Our backgrounds in public administration, accounting, finance and outreach combine to provide the kind of support which MCHCD will need to achieve success.

We are the best fit for MCHCD, will meet as many of your needs as possible, save your taxpayers and your General Fund money and work to keep the news about the District positive. Unlike many of other consultants, we bring an approach that is both politically and financially viable now – and in the future. And given the urgency of MCHCD's challenges, we are prepared to begin immediately and 'hit the ground running'.

Statement of Understanding

Include a detailed statement of understanding of the consulting services to be provided. If there are services listed in this RFP that the firm will not be able to provide, please be certain to address that in your response.

We have reviewed the scope of services and minimum qualifications specified in the RFP and believe our team will be more than able to meet all of your needs (just as we have for the past 10 years). Specifically, Eastshore provides our clients with a variety of financial advisory services, primarily focused on facilities planning and financing. Within the typical scope of such services, we provide the following:

- *Tax Base & General Fund Analysis, Debt Management and Financial Planning* – To ensure bond program modeling is based upon conservative realistic projections as financing plans are developed with the District
- *Cash Flow Planning* – To ensure that clients maximize funding flexibility to avoid costly construction delays and unplanned debt issuances, which may result in higher borrowing costs
- *Direct Negotiations with Major Stakeholders* – To identify alternative funding options which may mitigate limits on bond authorizations
- *Financial Advisory Services* – To provide the District, the County and the public with information required to determine best financing options and manage the process of structuring and selling bonds, including attending meetings as required
- *General Administrative Assistance* – To fill in the gaps when the primary educational mission of the District does not allow for staff to focus on financial planning or bond issuances
- *Debt Compliance Services* – To address the legal reporting requirements related to clients' outstanding bond issuances

In addition to the basic services, Eastshore can also provide the following additional related services, if they fit within the District's' unique situation and are not covered by other members of the team:

- *Preparation of the Narrative* – To assist the District inform the community about available facilities financing options
- *Polling Support* – To help conduct the survey or poll, and/or share alternative strategies by assisting local 'volunteers' execute direct outreach to voters
- *Community Outreach* – To guide the District through a process of gaining input from the community, including attending meetings as required
- *Sustained Contact with Residents* – To continue sharing details with residents and other stakeholders through Citizens' Oversight Committee and other communications

Statement of Understanding

Additionally, our team understands that the District may be interested in more specifically assessing the community's priorities for the future of the Hospital *and* understanding the feasibility of a revenue measure to fund the next steps toward replacing, retrofitting, or downsizing the existing facility.

As such, EMC's research will provide you with scientifically sound data to inform strategic decisions such as:

- What are community preferences around the future options for the Hospital?
- What is the level of support for a potential revenue measure?
- How should a measure be structured in order to most likely meet with success?
- What is the advisable timing and amount for (a) measure/s?
- What are the types of projects that are most important to those who will vote?
- What themes/messages will assist in helping voters understand the benefits?
- What are potential vulnerabilities?

EMC is well-equipped to provide research services to understand the community's preferences for the future of the hospital, and the feasibility of a revenue measure to support these endeavors.

EMC will bring all of our experience to bear for our clients. EMC's many years of experience conducting research, including work directly on behalf of the MCHCD, means we come to every project equipped with a vast array of knowledge. Every project we do builds on what we have learned from our earlier work, and we are constantly refining the methods we use to collect data, write questions, conduct analysis, and develop recommendations and insightful reports based on our experience. When you hire EMC, your project benefits from every project we have done before yours, and we work hard to share our deep local knowledge and topic research experience across the company to ensure every client enjoys this competitive advantage.

Moreover, at EMC we understand what it takes to conduct research in this community. We bring specific experience not only with conducting research on the Mendocino Coast and coastal areas of Northern California, but also in understanding the feasibility of voter-approved measures to preserve healthcare services and assessing community priorities that drive strategic decisions regarding local healthcare issues.

Statement of Understanding

While we have extensive experience in all of the previously specified services, we also appreciate that it takes a full team to get the job done right – and to the extent other professionals (e.g. legal counsel, real estate experts, property management consultants, etc.) are needed to help MCHCD, we will assist the District to identify them, and then collaborate with them on your behalf. Indeed, we have and will continue to ‘captain’ your team to ensure remaining gaps are filled and we all work seamlessly together, getting the best out of everyone.

Additionally, as our understanding of your needs improves, other services we *do* provide may also be merited -- or shifts in strategy may be warranted. And as we have done over the past decade, our team will continue to work closely with MCHCD however is required.

Background & Experience

Official name and address of the firm and specify the type of entity (partnership, LLC, corporation, etc.). Describe the firm's background and history, including the number of years in business. Describe in detail the firm's public agency and special district consulting services expertise. List the location of office(s) that would serve the District. Provide an organization and staffing plan identifying key personnel, related lines of authority and responsibility of those team members who will provide the services described in this RFP.

Eastshore Consulting LLC
Shin Green, Principal
1714 Franklin Street, #100-406
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info@eastshoreconsulting.com

Eastshore Consulting was formed as a Municipal Advisory limited liability corporation by Shin Green and Michael Riemenschneider in February of 2012. While we just recently began our eleventh year, both founding partners previously spent many years working within the public facilities finance space at other prominent financial advisory firms. We bring comprehensive experience to the table as well as a hunger to change the culture of the bond industry by creating facilities programs that meet or exceed clients' goals, *and* avoid problems years into the future.

Eastshore is in compliance with all regulatory and licensing requirements for the provision of financial advisory services to governmental entities in California. At the Federal level, Eastshore is registered with the Municipal Securities Rulemaking Board (MSRB) and the Securities and Exchange Commission (SEC). Eastshore's Municipal Advisor SEC ID is 867-01304 and our MSRB ID is K0786. Both co-founders are Series 50 and Series 54 qualified Municipal Advisor Principals and all other staff is

qualified as a Series 50 Municipal Advisor Representative.*

Organizationally, the District will receive the benefit of having direct access only to principals and senior staff – and there will be no subordinates to deal with, meaning you can be confident that every communication received is from an expert. Further, as far as specific day-to-day activities are concerned, the principal in charge will be based upon the specific tasks being contemplated. This allows for the District to take advantage of the greatest amount of experience for the task at hand.

For services such as tax base and debt analysis, financial planning/modeling and bond program design, Shin Green will take the lead. For outreach and planning services – to ensure the community understands – Michael Riemenschneider will coordinate with the rest of your team, providing the District with the expertise earned over almost two decades of similar efforts.

Additionally, among many other clients, we are proud to have been a part of the MCHCD team for more than a decade

**It should be noted that we also adhere to all State requirements associated with financial advisors, including compliance with recent California Attorney General Opinions precluding financial advisors (i.e. Municipal Advisors) from participating in bond campaigns or related services.*

Background & Experience

EMC Research Inc.
Jessica Polsky-Sanchez, Principal
2001 Broadway, Suite #110
Oakland, CA 94612
Phone: (510) 844-0680
jessica@emcresearch.com

EMC Research is a national full-service opinion research firm serving an extensive and diverse range of public and private sector clients since 1989. We are known for crafting insightful research tools, collecting highly accurate data and providing analysis that answers the key strategic questions and challenges our clients face. EMC is proud to be a certified women-owned business.

When you hire EMC, you are bringing on a partner that is truly invested in your goals. Our clients have turned to us time and time again to provide data-driven, actionable recommendations that are critical to their success.

EMC has over 30 years of experience conducting research on behalf of public agencies and cities across the country, including in areas all along the North Coast. We have worked for cities, counties, healthcare districts, public utilities, transit agencies, state departments of transportation, water districts, school districts, parks departments, and waste collection and recycling agencies. We understand the unique challenges and requirements of conducting research for public agencies, including presenting politically sensitive opinion research in a public setting, dealing with media inquiries, and meeting open records requirements.

Our work has been critical to helping local governments craft and pass revenue

measures, and has been used in the development, timing, wording, and strategy for tax measures throughout the State. These measures have provided millions of dollars in funding for transportation projects, schools, hospitals, local services and facilities, open space, the environment, libraries, and other projects and services.

EMC has three decades of experience with research in the arena of healthcare, wellness, and public health, including research on behalf of public health programs and campaigns, medical associations, and public and private hospitals and healthcare systems. Our work has included healthcare systems facing challenging issues, including patient, physician, and employee experience and satisfaction, brand awareness and perception, rebranding and repositioning efforts, understanding consumer choice process and environment, and hospital affiliation.

At EMC, we understand what it takes to conduct quality research in this community. We provided voter and employee surveys in 2016 and 2018 to help lay the roadmap for the District's successful Measure C, so we have particular expertise in researching your local electorate and stakeholders – and Jessica Polsky-Sanchez will continue to lead EMC's efforts for MCHCD.

Moreover, EMC has vast experience in polling on similar issues facing various communities across the State. Our work on behalf of other districts in partnership with Adventist has informed strategic decisions and efforts to assess voter support for measures to preserve healthcare services for rural communities across the State.

Approach

Describe your view of the role of the primary consultants, your interaction with the Board of Directors, collectively and individually, and staff.

Most importantly – and reflective of this joint proposal – Eastshore and EMC believe in working as part of a larger team, consistently communicating with the District, the Board, major stakeholders, legal counsel AND the other required consultants, constantly collaborating to get the best out of everyone and ensuring the best odds for the District’s success. Eastshore takes pride in ‘captaining’ your team, if required, or merely serving as a part of the team, depending on the specific tasks and timing of each stage of the process.

Further, both Eastshore and EMC have been involved in bond and other revenue measures totaling several billions of dollars. Having worked with districts throughout the State on hundreds of separate ballot measures, we understand that each experience is unique, and we have developed tools to prepare for and react to every circumstance. This background allows us to understand the hurdles districts can face as well as eliminate the problems that have plagued so many. Because educated planning and decision-making require the full comprehension of administration and the Board, we do not shy away from clearly sharing the results of our analyses, particularly when challenges are presented. Indeed, it is our duty to do so.

Our expertise also includes extensive experience with all of the key factors required to achieve your facilities goals, including gathering community opinions, tax base analysis, General Fund analysis, interest rate market analysis and a wide array of financial projections. We have honed these skills over the past decades and continue expanding our base of knowledge to better react to current conditions. We are able to analyze the District’s potential resources and facilities goals *as well as* community opinions to provide a range of viable options to solve current and future challenges – while maintaining full public disclosure.

Describe how you track and manage fees and costs.

Generally, with flat fees for both firms, we will work until the job is done and there is no need to ‘track’ hours. Additionally, both firms propose not-to-exceed amounts for specific services, limiting such costs.

Approach

Please provide the most creative advice the firm has provided to a public agency on a significant project or campaign within the past five (5) years, explain why the advice was creative, and describe the outcome of the matter upon which the advice was provided.

More than a decade ago, in the Spring of 2013, Eastshore began a long process of working with MCHCD – and you have been one of our most creative and encompassing clients. Initially, our prior work in Fort Bragg drew a handful of community leaders to us, seeking our advice on a potential parcel tax measure (which would eventually become Measure C). Over the years, we helped MCHCD refine its vision for both the parcel tax *and* other needs (facilities, healthcare priorities, etc.), and begin to educate the community about all the challenges you face (including 2030's seismic retrofit requirement). Indeed, for Measure C, we:

- Helped prepare for and participated in scores of community meetings (see attached Appendix #1 for the final iteration of an informational presentation we helped develop for MCHCD from 2014 to 2018)
- Completed a 'written' survey in 2014 which received responses from nearly 10% of your voters (i.e. 1,000+)
- In both 2016 and 2018, worked with EMC to more scientifically measure parcel tax support and a wide range of other opinions (from both your voters *and* your staff)
- With counsel and District staff, developed the parcel tax ballot measure itself
- Provided informational communications about Measure C
- Represented the District at Mendocino County Elections for the recount

Frankly, given how close the election was, our collective advice to – and teamwork with – the staff of the District at the time could not have been better.

Additionally, as your Municipal Advisor, Eastshore is familiar with your debt history and refinanced your outstanding General Obligation (GO) bonds in 2016, and worked with the District's team in attempting to preserve your tax base and fight the 2018-2019 de-annexation of some of your territory. Indeed, we were even informally involved in many conversation regarding the affiliation – and we continue to assist the District in the administration of the levy of the parcel tax on an annual basis.

All in, we have been available (and invaluable) to MCHCD for years to deal with a sizable assortment of financial, political, policy and other related challenges – and we're excited to continue helping you with all of those that remain!

Please identify whether the firm has had an agreement with a public agency terminated within the past five (5) years and provide contact information for people knowledgeable regarding the contract's termination.

Neither Eastshore nor EMC have had a contract terminated in the past five (5) years.

Proposed Consultants

Name the person or persons whom you propose to designate as the primary consultants. Provide the following resume information for each designee: description of education, including names of educational institutions and degrees conferred, professional background and professional associations, experience with and knowledge of public agency funding options for capital projects, experience with and knowledge of community preferences assessment tools and analysis, experience with and knowledge of ballot initiative strategies supporting public funding ballot initiatives, and specific areas of expertise and training.

Much of our combined experience has already been shared – but please find more specific information about each of the principals who would be MCHCD’s main contacts and their array of experience and expertise below.

Shin Green, Principal (Eastshore)

Shin provides Financial Planning and Advisory Services to our clients. His areas of focus include analyzing the feasibility of debt, managing finances for capital projects and advising clients in the issuance of general and limited obligation, as well as revenue-backed debt. Having been involved in over 100 debt financing transactions raising over \$2.0 billion for projects, he has the experience and contacts required to assist clients in getting the funding they need. In addition to GO bonds, his past portfolio includes issuances of Federal tax credit and subsidy financings, COPs, privately placed debt financings, and developer financings, which often require special considerations. Having spent several years in the City of Rocklin Finance Division, he is fully aware of the internal pressures, concerns and high-level fiduciary responsibility demanded of public entities. Also, as a former auditor of public agencies, he has had the opportunity to review a variety of approaches and transactions well beyond his own direct experiences. This combination allows Shin to work seamlessly with clients and other industry professionals to bring your vision to reality in a responsible manner that maintains long-term fiscal health.

A product of Berkeley public school education, Shin received his BS in Business Administration from the Haas School of Business at the University of California at Berkeley. Shin currently resides in his hometown of Berkeley. He has Series 50 and Series 54 Licenses and is a registered Municipal Advisor Principal with the Municipal Securities Rulemaking Board (MSRB).

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Proposed Consultants

Michael Riemenschneider, Principal (Eastshore)

Michael provides Financial Planning and Election Strategies services to our clients, as he has assisted more than 100 separate districts throughout California obtain more than \$2.0 billion to meet their facility needs. His work with administration, public service unions, major stakeholders, and other community members in the process shapes our advice for districts in developing potential measures and gathering community input to shape other solutions. His experiences compliment the Financial Planning and Advisory services to help synchronize the entire team, matching financial realities with local political desires and allowing for clear and concise communication of what matters.

Michael received his BA and MA from Stanford University, focusing on demographics on the North Coast and its influence on local political preferences. Though much of his family still lives in Mendocino County, he currently resides in Oakland with his wife, Angela Rodriguez Riemenschneider, and their two sons, Diego and Luca. Michael has Series 50 and Series 54 Licenses and is a registered Municipal Advisor Principal with the MSRB.

Jessica Polsky-Sanchez, Principal (EMC)

Jessica brings her high standards for accuracy and attention to detail to every project she manages for EMC clients. From her study of social psychology, Jessica uses her knowledge of psychological influences on decision-making to provide an understanding of underlying motivations. Her expertise informs her research design and allows her analysis to look beyond the obvious to uncover unique recommendations and strategies.

Jessica truly enjoys finding solutions to client problems and helping them succeed in implementing improvements that impact everyday lives. Her clients include many public agencies, and her research has resulted in billions of dollars in revenue for local schools, parks and open space districts, successful campaigns to expand water conservation, and improved access to health care for the underserved.

Prior to joining EMC Research in 2007, Jessica pursued contemporary jazz dance and was a law clerk at a disability rights law firm. Jessica still loves jazz music and dance and along with her husband, enjoys cooking, hiking, and window shopping along the Bay Area's many commercial corridors. Her spare time is consumed with her young family. Jessica has a BA in Psychology from the University of Michigan and MA in Social Psychology from San Francisco State University.

References & Potential Conflicts

Provide contact information for three (3) public agency clients for which services have been provided by the firm in the last five (5) years, so reference checks can be contacted.

Retired Superintendent / Former Board Member Steve Lund (Eastshore & EMC)

Fort Bragg Unified School District / Mendocino Coast Health Care District

(707) 972-1603 • sclund@mcn.org

Superintendent Jeff McFarland (Eastshore)

Horicon School District

(707) 886-5322 • jmcfarland@horiconsd.org

Amy Carta, Director, Govt. Affairs, Public Relations, Special Projects (EMC)

County of Santa Clara Health System

(408) 885-4551 • Amy.Carta@hhs.sccgov.org



References & Potential Conflicts

List all public agencies within the North Coast region for whom your firm currently provides services and indicate the services provided. Identify any foreseeable or potential conflicts of interest that could result from such representation and the way you would propose to resolve such conflicts.

District	Election Date / Project	District Contact	Firm	Point of Contact at Firm
California Department of Public Health	Multiple/Ongoing	Julie Roberts, Senior Account Manager, Runyon-Saltzman Inc.	EMC	Sara LaBatt
California Office of Emergency Services – Listos CA	Multiple/Ongoing	Brian Ferguson, Deputy Director, Crisis Communications and Media Relations	EMC	Sara LaBatt
City of Eureka	2020, 2019, 2018	Brian Gerving, Director of Public Works	EMC	Sara LaBatt
County of Santa Clara Health System / Santa Clara Valley Medical Center	Multiple/Ongoing	Amy Carta, Director, Government Affairs, Public Relations, Special Projects	EMC	Jessica Polsky-Sanchez
Forestville ESD	Nov. 2022	Matt Dunkle, Superintendent	Eastshore	Michael Riemenschneider
Fort Ross ESD	TBD 2024	Jennifer Dudley, Superintendent	Eastshore	Michael Riemenschneider
Horicon ESD	Nov. 2022	Jeff McFarland, Superintendent	Eastshore	Michael Riemenschneider
Humboldt Fire Protection District	July-August 2023	Sean Robertson, Fire Chief	EMC	Sara LaBatt
Klamath-Trinity Joint USD	TBD 2024, Negotiations with State, Bond Program Man.	Carmelita Hostler, Assistant Superintendent Business/Personnel	Eastshore	Shin Green
Mill Valley ESD	Apr. 2015, Mar. 2016, Oct. 2019, Dec. 2021	Michele Rollins, Asst. Superintendent	EMC	Jessica Polsky-Sanchez
Santa Clara County Department of Public Health	Multiple/Ongoing	Britt Ehrhardt, Communications Officer	EMC	Jessica Polsky-Sanchez
Shoreline USD	Nov. 2018	Adam Jennings, Superintendent	Eastshore	Michael Riemenschneider
Sonoma County	Multiple/Ongoing	Christel Querijero, Deputy County Administrator	EMC	Jessica Polsky-Sanchez
Sonoma County Regional Climate Protection Agency	May-July 2023	Suzanne Smith, Executive Director	EMC	Jessica Polsky-Sanchez

Both Eastshore and EMC do serve a number of other public entities on the North Coast. We are not currently aware of any existing conflicts of interest resulting from these engagements. However, with respect to any potential conflict, we mitigate it through dealing honestly and with good faith to all clients. And if we determine that such a conflict is unmanageable, we will notify District in writing in a timely manner.

References & Potential Conflicts

List all private clients of your firm such as healthcare providers, construction contractors, land developers, architects, or other contractors that could pose a conflict of interest while representing the District.

Eastshore does not have any such clients.

EMC has vast experience in polling on similar issues facing various communities and organizations across the State, both public and private. Additionally, our work on behalf of other districts similarly in partnership with *both* public and private entities (including Adventist) has informed strategic decisions and efforts to assess voter support for measures to preserve healthcare services for rural communities across the state. However, previous private EMC clients will present no conflicts to MCHCD – though if we determine that a potential conflict is material and unavoidable, we will notify District in writing in a timely manner.

Compensation & Reimbursement

Please provide the hourly billing rates and specific expenses (mileage, reproduction of documents, travel) proposed as compensation and/or reimbursement for the above consulting services. The District may accept and incorporate the proposed fee schedule as part of the agreement process without further negotiations or may use it as the basis for negotiations. Consequently, firms are encouraged to provide their best pricing.

Based upon a review of the District's RFP, please find our fee proposal below. The Fee Structure for Municipal Advisory services and survey research services generally contemplates a contingent flat fee required per service. Fees associated with Municipal Advisory service (i.e. bond issuances) are predominantly payable in total at the time of the actual issuance of bonds and payable from proceeds of the bond issuance, avoiding the need to utilize General Fund resources. Fees associated with survey research are typically split, with approximately half due upon commencement and the balance due upon completion. Fees for other, less typical services, are also discussed below.

Municipal Advisory Fee for Bond Issuances (Eastshore)

Eastshore's Municipal Advisory Fee for bond issuances is a per issuance fee for services associated with each bond sale process. Related planning services including assistance in development of the financing plan and ongoing updates, regular analysis of the District's tax base, General Fund or other available repayment sources, and assistance in communications with the community regarding facilities plans. Specific bond issuance services include analysis of sale methods, recommendations as to the appropriateness of structures and credit enhancements, rating and insurance presentation preparation and negotiations, official statement and legal documentation review, pricing services including recommendations and reports, and closing and post sale activities. This fee is contingent on successful closing of a bond sale for all bonds issued.

\$55,000 per Issuance of GO Bond (New Money)

\$40,000 per Issuance of GO Bond (Refunding)

\$60,000 per Issuance of Revenue Bond (or COP or Other Alternative)

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Compensation & Reimbursement

Survey Research Services Fee (EMC)

The pricing provided in the table below includes all costs necessary for start-to-finish research services and deliverables related to a survey of voters, including consulting on usage of the data and reporting and presentations for as long as the research is used. Pricing assumes that one meeting to present research results to the Board will take place in person, while other meetings will take place in a virtual environment.

Option	Number of Interviews	Length	Cost
<i>Baseline Multi-Modal Survey of Voters in Mendocino Coast Health Care District</i>	<i>(estimated) 200</i>	<i>15 minutes</i>	<i>\$23,000</i>
		<i>18 minutes</i>	<i>\$24,000</i>

Fees for each project will be billable on a lump sum basis, with approximately half of the fee for each survey billed upon commencement of the survey, and the remainder billed upon delivery of survey results.

Continuing Disclosure Compliance Services Fee (Eastshore)

Our Continuing Disclosure Compliance Services Fee is an annual fee for services associated with maintaining the District's compliance with annual bond discloser requirements. Municipal bonds sold to the public include SEC requirements for annual disclosures which must be completed by all issuers. While the District could meet these requirements itself, Eastshore must know that they are being completed on time in order to fulfill our market-related responsibilities. Because we would maintain much of the required information, this service can be provided at a nominal fee, plus the expense of any additional data purchases. This is an annual fee not typically payable from bond proceeds and would likely be funded with General Fund resources.

Annual Report: \$1,500 / Catch-Up Report (If Required): \$3,500

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Compensation & Reimbursement

Other To-Be-Determined Services Fees (Eastshore & EMC)

Given the breadth of the envisioned scope of services in the RFP and still to-be-determined nature of much of the project, Eastshore and EMC will be amenable to reaching agreements on other needed services at mutually acceptable terms and fees, at the request of MCHCD.

Reimbursable Expenses (Eastshore & EMC)

Reimbursable expenses including data purchases, travel and costs of materials required for meetings will be reimbursed after submission of an itemized accounting to the District for approval and are due in alignment with payment of other fees. Bond issuance expenses shall not exceed \$3,000 for any issuance. Voter opinion survey expenses beyond those included in the proposed course of services shall not exceed \$1,000. Continuing Disclosure expenses consisting of data purchase costs are reimbursed annually, in alignment with billing for such services, and shall not exceed \$1,500 per year.

Other expenses, for services yet to-be-determined, will be billed as required, per mutually acceptable terms.

Hourly Rates (Eastshore & EMC)

Hourly rates for the provision of typical services referenced above would be \$250 per an hour for the time of Eastshore's principals, and range from \$335 (Senior Principal) to \$115 (Associate) for EMC. However, given our experience, these alternatives may put the District at risk of higher overall costs, particularly in the event of unforeseen circumstances and can put undue burden on the General Fund.

Hourly rates for the provision of services beyond the typical ones referenced above (i.e. fiscal forecast apart from debt issuances, election planning, focus groups or other alternative community outreach methods, etc.) would be \$250 per an hour for the time of our principals for Eastshore (not to exceed \$20,000 annually, without prior written agreement from MCHCD). For EMC, hourly rates would range from \$335 (Senior Principal) to \$115 (Associate) and not exceed \$25,000 for another project equivalent to a survey (again without prior written agreement from MCHCD).

Agreement

If the District engages a firm in negotiations and satisfactory agreement provisions cannot be reached, negotiations may be terminated and the District may elect to contact another firm. This sequence may continue until an agreement is reached. The District contemplates entering into a legal agreement containing terms and conditions which will include specific standards for the firm's billing of costs and services. The agreement will also set forth requirements for the exercise of efficient billing judgment, billing documentation, and insurance requirements. The agreement will contain an express provision that in the event of any dispute concerning any matter regarding the agreement, each party will bear its own attorney's fees. In addition, the agreement will require that it be governed by California laws and that venue for any dispute be in Mendocino County. Please provide your standard draft agreement for the District to review.

Eastshore and EMC find these requirements acceptable. Instead of sample draft agreements, please find our previous contracts with MCHCD for your review in Appendix #2. We anticipate any new agreement with closely track our prior agreements with the District.