

## PROFESSIONAL SERVICES AGREEMENT

This Agreement is made this August 28, 2024 by and between Chester Public Utility District, 251 Chester Airport Rd, Chester, CA 96020, hereinafter referred to as the CLIENT, and Aries Advisors, LLC, 853 Founders Ridge, Dripping Springs, TX 78620, hereinafter referred to as the CONSULTANT.

1. **BACKGROUND:** During the term of this Agreement, CONSULTANT will perform services in a professional consulting capacity as requested from time to time by the CLIENT, at such places and times as are set forth in the Statement of Work referenced in this Agreement. Each Statement of Work shall become part of this Agreement when executed by both parties. In the event of any conflict between any Statement of Work and this Agreement, the terms of such Statement of Work shall prevail.
2. **RELATIONSHIP:**
  - (a) CLIENT retains complete right to accept or reject recommendations of CONSULTANT with respect to leases evaluated by CONSULTANT pursuant to this agreement.
  - (b) CONSULTANT will serve as an independent contractor, and nothing contained herein will be construed to create the relationship of employer and employee or agent and principal between the CLIENT and CONSULTANT.
  - (c) CONSULTANT acknowledges that he/she is not an employee of the CLIENT, and said CLIENT is not obligated nor charged with the responsibility of withholding income taxes from any compensation due the CONSULTANT, nor is the CLIENT obligated to pay Social Security taxes for the CONSULTANT, nor is the CONSULTANT entitled to any benefits to which he/she would be entitled if he/she were an employee.
  - (d) CONSULTANT represents that he/she possesses the training, skills and expertise necessary to perform the consulting services required by this Agreement in a competent and professional manner.
  - (e) CONSULTANT will devote the amount of time to the affairs of the CLIENT as will be mutually agreeable to the parties hereto.
  - (f) CONSULTANT reserves the right to perform services for more than one CLIENT at any time and may be performing such services concurrently herewith.
  - (g) CLIENT agrees to cease all written and oral communications with any prospective Tenant upon acceptance of this Agreement. CONSULTANT will serve as the intermediary for all communication with the Tenant and will update the CLIENT throughout the entire process until a successful transaction occurs.
3. **TERMINATION:** This Agreement commences on the date written above and shall terminate 24 months from this date on August 28, 2026 or upon the successful close of a transaction, whichever occurs first.
4. **PAYMENT:** In consideration of the satisfactory performance of the CONSULTANT, the CLIENT agrees to pay the CONSULTANT according to the Professional fees as determined by the executed Statement of Work.
5. **CONFIDENTIALITY:** Proprietary or confidential information made available to CONSULTANT or to which CONSULTANT becomes privy under this Agreement, shall not be disclosed to others, or used for any purposes except as required under this Agreement, without prior written permission by the CLIENT.
6. **WARRANTY:** CONSULTANT hereby warrants to the CLIENT that CONSULTANT shall, at all times, perform the services required by this Agreement with the highest level of competence, expertise, diligence, timeliness and loyalty as determined by standards established by other consultants providing similar services in the industry. This warranty is the only warranty contained

in this Agreement and there are no other warranties contained herein, whether express or implied. CONSULTANT does not warrant or guarantee any specific outcome with regards to the negotiation of the CLIENT's lease(s).

7. LIABILITY:

(a) CONSULTANT will self-insure his/her services and the services of his/her agents or employees. CONSULTANT hereby indemnifies and agrees to hold CLIENT, CLIENT's Board of Supervisors, agents and employees from and against any and all liability, losses, costs and expenses (including reasonable attorney's fees and costs of litigation) arising from or pertaining to any claim resulting from CONSULTANT's material breach of the provisions of this Agreement.

(b) With regard to the services to be performed under this Agreement, the CONSULTANT shall not be liable to the CLIENT for any acts or omissions in the performance of said services on the part of CONSULTANT or on the part of the agents or employees of the CONSULTANT except when such acts or omissions are due to the willful misconduct of CONSULTANT, his/her agents or employees.

8. PROPRIETARY RIGHTS: CONSULTANT agrees that all correspondence, data, and reports created in relation to the work performed under this Agreement shall be the property of the CLIENT and may be used by the CLIENT for any purpose whatsoever without any claim on the part of the CONSULTANT for additional compensation and will be delivered to the CLIENT or otherwise disposed of as the CLIENT directs.

9. MEDIATION & ARBITRATION: Any controversy arising under this Agreement, or any dispute related to its subject matter shall be submitted to arbitration in accordance with the California Code of Civil Procedure, Sections 1280 through 1284.2. The arbitrator utilized shall be Judicial Arbitration and Mediation Services, Inc. (J•A•M•S). The written determination of the arbitration shall be final, binding and conclusive on the parties. Discovery shall be available to the parties, and the provisions of the California Code of Civil Procedure, Section 1283.05 are hereby incorporated into and made applicable to this Agreement.

10. MISCELLANEOUS:

(a) This Agreement constitutes the entire agreement between the parties and supersedes any and all other agreements between the parties. No representation or promise, either oral or written, has been made except as specifically set forth herein. Should any part of this Agreement be declared invalid, such validity shall not affect the remainder of the Agreement.

(b) This Agreement and the terms, conditions and obligations herein contained shall be binding upon the parties hereto and their respective heirs, executors, administrators, successors, and assigns, and shall be governed by the laws of the State of California unless the dispute in question arises out of a transaction performed in another State. In that event, that County shall have jurisdiction and the laws of that State shall govern this Agreement.

PROFESSIONAL SERVICES AGREEMENT  
STATEMENT OF WORK

Period of Performance: August 28, 2024 – August 28, 2026, or until successful close of transaction.

Background:

TowerCo (“Tenant”) is looking to lease 50’x50’ in ground space for a new Verizon Wireless cell site at 881 First Avenue, Chester, CA 96020. The Tenant has offered an initial monthly rent of \$1,200 and 1.5% annual escalator. The proposed lease is 100 years, but the CONSULTANT believes this can be reduced to 50 years. At the proposed rent and escalator, the 50-year cumulative lease rent to the CLIENT equals \$1,061,032 (Figure 1). This amount will serve as the “baseline” rent upon which CONSULTANT fees will be calculated. The CONSULTANT has been engaged by the CLIENT to maximize an increase to the baseline rent to improve the overall financial value of the wireless lease and to negotiate advantageous terms for the CLIENT.

Scope of Work:

- CONSULTANT will review all written communications and documents from the Tenant.
- CONSULTANT will review the proposed Lease and comment (“redline”).
- CONSULTANT will negotiate lease economics to optimize CLIENT lease terms.
- CONSULTANT will work alongside CLIENT’s counsel in the negotiation until the process is completed to the CLIENT’s satisfaction and both the CLIENT and Tenant approve.

Professional Fees and Timelines:

CONSULTANT’s standard professional fee to negotiate a new Lease equals 4% of the difference between the final negotiated cumulative lease rent and the current “baseline” rent of \$1,061,032. An initial non-refundable retainer of \$4,500 will be paid to engage the CONSULTANT prior to the commencement of work. Upon the successful execution of the lease, the balance due will be paid to the CONSULTANT. Fees will be capped at \$20,000.

By way of example: CONSULTANT negotiates a final cumulative rent *\$300,000 greater than the baseline amount*. The CONSULTANT fee is \$12,000 (4% of \$300,000). In turn, the CLIENT will earn \$1,061,032 in baseline rent plus \$288,000 in negotiated upside rent over the lease, totaling \$1,349,032. The balance due to CONSULTANT upon lease execution is \$7,500.

IN WITNESS WHEREOF, the Parties have executed this Agreement.

CLIENT

CONSULTANT

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

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

Name: \_\_\_\_\_

Name: Nigel Paxton

Title: \_\_\_\_\_

Title: Managing Member, Aries Advisors

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Figure 1: Cumulative “Baseline” Lease Rent for 50-year Term**

Initial Rent:	\$1,200.00		
Annual Esc:	1.015		
Year No.	Monthly Rent	Annual Rent	Cumulative Rent
2025	\$ 1,200.00	\$ 14,400.00	\$ 14,400.00
2026	\$ 1,218.00	\$ 14,616.00	\$ 29,016.00
2027	\$ 1,236.27	\$ 14,835.24	\$ 43,851.24
2028	\$ 1,254.81	\$ 15,057.77	\$ 58,909.01
2029	\$ 1,273.64	\$ 15,283.64	\$ 74,192.64
2030	\$ 1,292.74	\$ 15,512.89	\$ 89,705.53
2031	\$ 1,312.13	\$ 15,745.58	\$ 105,451.12
2032	\$ 1,331.81	\$ 15,981.77	\$ 121,432.88
2033	\$ 1,351.79	\$ 16,221.49	\$ 137,654.38
2034	\$ 1,372.07	\$ 16,464.82	\$ 154,119.19
2035	\$ 1,392.65	\$ 16,711.79	\$ 170,830.98
2036	\$ 1,413.54	\$ 16,962.46	\$ 187,793.44
2037	\$ 1,434.74	\$ 17,216.90	\$ 205,010.35
2038	\$ 1,456.26	\$ 17,475.16	\$ 222,485.50
2039	\$ 1,478.11	\$ 17,737.28	\$ 240,222.78
2040	\$ 1,500.28	\$ 18,003.34	\$ 258,226.13
2041	\$ 1,522.78	\$ 18,273.39	\$ 276,499.52
2042	\$ 1,545.62	\$ 18,547.49	\$ 295,047.01
2043	\$ 1,568.81	\$ 18,825.71	\$ 313,872.72
2044	\$ 1,592.34	\$ 19,108.09	\$ 332,980.81
2045	\$ 1,616.23	\$ 19,394.71	\$ 352,375.52
2046	\$ 1,640.47	\$ 19,685.63	\$ 372,061.15
2047	\$ 1,665.08	\$ 19,980.92	\$ 392,042.07
2048	\$ 1,690.05	\$ 20,280.63	\$ 412,322.70
2049	\$ 1,715.40	\$ 20,584.84	\$ 432,907.54
2050	\$ 1,741.13	\$ 20,893.61	\$ 453,801.15
2051	\$ 1,767.25	\$ 21,207.02	\$ 475,008.17
2052	\$ 1,793.76	\$ 21,525.12	\$ 496,533.29
2053	\$ 1,820.67	\$ 21,848.00	\$ 518,381.29
2054	\$ 1,847.98	\$ 22,175.72	\$ 540,557.01
2055	\$ 1,875.70	\$ 22,508.36	\$ 563,065.37
2056	\$ 1,903.83	\$ 22,845.98	\$ 585,911.35
2057	\$ 1,932.39	\$ 23,188.67	\$ 609,100.02
2058	\$ 1,961.38	\$ 23,536.50	\$ 632,636.52
2059	\$ 1,990.80	\$ 23,889.55	\$ 656,526.07
2060	\$ 2,020.66	\$ 24,247.89	\$ 680,773.96
2061	\$ 2,050.97	\$ 24,611.61	\$ 705,385.57
2062	\$ 2,081.73	\$ 24,980.78	\$ 730,366.35
2063	\$ 2,112.96	\$ 25,355.50	\$ 755,721.84
2064	\$ 2,144.65	\$ 25,735.83	\$ 781,457.67
2065	\$ 2,176.82	\$ 26,121.87	\$ 807,579.54
2066	\$ 2,209.47	\$ 26,513.69	\$ 834,093.23
2067	\$ 2,242.62	\$ 26,911.40	\$ 861,004.63
2068	\$ 2,276.26	\$ 27,315.07	\$ 888,319.70
2069	\$ 2,310.40	\$ 27,724.80	\$ 916,044.49
2070	\$ 2,345.06	\$ 28,140.67	\$ 944,185.16
2071	\$ 2,380.23	\$ 28,562.78	\$ 972,747.94
2072	\$ 2,415.93	\$ 28,991.22	\$ 1,001,739.16
2073	\$ 2,452.17	\$ 29,426.09	\$ 1,031,165.25
2074	\$ 2,488.96	\$ 29,867.48	\$ 1,061,032.72