

March 9, 2022

Mr. Robert Wicks, Supervisor  
Town of Lysander, New York  
8220 Loop Road  
Baldwinsville, New York 13027-2588

Dear Mr. Wicks:

**RE: Professional Consulting Services**

We appreciate the opportunity to provide professional consulting services to the Town of Lysander, New York (the Town). This engagement letter confirms our understanding of your retention of Bonadio & Co., LLP (Bonadio or we) to assist you in the recalculation of the 2022 lighting district fee calculation related to the debt service for the National Grid LED project, and also to assist you in the formula to calculate the lighting district fees going forward.

**Scope of Services**

- We will review the National Grid LED contract listing the total street lights by district in project, and use this as the basis for recalculating the debt service for the National Grid LED project for 2022 by lighting district, and provide the formulas used in the calculation.
- We will also recalculate the debt service for the National Grid LED project for all remaining years of debt service by lighting district, and provide the formulas used in the calculation.

**Summary of Roles and Responsibilities**

The services under this engagement letter will be performed in accordance with the Statement on Standards for Consulting Services ("SSCS") issued by the American Institute of Certified Public Accountants ("AICPA"). Consulting services differ fundamentally from attestation services. In an attest service, the practitioner expresses a conclusion about the reliability of a written assertion that is the responsibility of another party, the asserter. In a consulting service, the practitioner develops the findings, conclusions, and recommendations presented, based solely by the agreement between the practitioner and the client.

Accordingly, our services will not constitute an audit, compilation, review, or attestation service of the Town's financial statements or any part thereof, as described in the pronouncements on professional standards of the AICPA or the Public Company Accounting Oversight Board (PCAOB). Additionally, we will not otherwise verify the data you submit for accuracy or completeness. Rather, we will rely on the accuracy and completeness of the documents and information you provide to us.

432 North Franklin Street, #60  
Syracuse, New York 13204  
p (315) 476-4004  
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**Summary of Roles and Responsibilities (Continued)**

We will provide expertise and recommendations based on our observations during the work requested by you to assist in this project. It will be management's responsibility to provide substantive involvement as part of the project team, determine the level of work desired, and determine how to proceed relevant to any recommendations or advice provided. You are responsible for making all management decisions and for performing management functions and overseeing and monitoring the services we provide by designating an individual, preferably within senior management, who possesses suitable skill, knowledge or experience and will assure that you have obtained all needed information from appropriate sources to make appropriate business decisions. Further, although we will have discussions of various business matters, it is understood that we may not have been provided all appropriate information to make informed recommendations related to those discussions. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

**Warranties and Liabilities**

Our services will be performed in a professional and workmanlike manner. All services will be rendered by and/or under the supervision of Bonadio personnel or Bonadio's specialized third-party consultants or subcontractors. Bonadio makes no representation or warranty regarding either the services to be provided or any deliverables. In no event, unless it has been finally determined that Bonadio was grossly negligent or acted willfully or fraudulently, shall Bonadio be liable to you or any third party, whether a claim be in tort, contract or otherwise for any amount in excess of the total professional fees (excluding expenses) paid by you to us under this agreement for the particular service to which such claim relates. In no event shall Bonadio be liable for any special, consequential, indirect, exemplary, punitive, lost profits or similar damages, even if we have been apprised of the possibility thereof.

You agree to indemnify and hold harmless Bonadio, its employees, partners and third party consultants and subcontractors from any and all third party claims, liabilities, costs, and expenses, including reasonable attorneys' fees, arising from or relating to the services or deliverables under this letter, except to the extent finally determined to have resulted from the gross negligence, willful misconduct or fraudulent behavior of Bonadio & Co., LLP relating to such services or deliverables. Your indemnity obligation contained in this paragraph shall survive termination or expiration of this letter (including but not limited to all reasonable costs and expenses related to answering subpoenas, attending depositions, being named in third-party claims, related attorneys' fees, etc.).

In the event of a conflict or inconsistency between the terms of this letter and any other written agreement between us relative to the services to be performed (including any deliverables), the terms of this letter shall be deemed controlling in all material respects.

**Deliverables**

All information and materials of any form or description collected by us in the course of our engagement shall constitute our work files and will at all times, during and after completion of our engagement, remain in our exclusive possession. We shall have unlimited discretion to retain, discard, or dispose of our work files but will at all times maintain all information and materials provided by management of the Town in strictest confidence.

We will use our best efforts to keep strictly confidential the report, its existence, and content, as well as the identity of the Town and other identifying information. We will nevertheless have no liability to the Town or any third party for information disclosed in, or pursuant to, any ruling, order, or proceeding of any court or other judicial or non-judicial forum or of any regulatory agency or similar instrumentality.

**Fees**

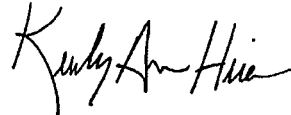
For consulting projects of this nature, we charge a blended hourly rate of \$175/hour. At this time, we estimate the total hours to be between 40-50 hours with our anticipated fee between \$7,000 and \$8,750. If significant additional time is necessary, we will discuss with you and arrive at a new fee estimate before we incur additional costs. Should we identify barriers to completing procedures within the anticipated fee amount (such as missing documentation, refusal of assistance by employees, etc.) we will stop our work and discuss with you to determine an appropriate path forward.

Our invoices for these fees will be rendered as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 45 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

We appreciate the opportunity to be of service to the Town and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

BONADIO & CO., LLP



by:  
Keeley Ann Hines, CPA  
Partner

**ACKNOWLEDGMENT**

This letter correctly sets forth the understanding of the Town of Lysander and its agreement with the above stated terms and conditions

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

Officer Signature: \_\_\_\_\_

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

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

**COPY**