



April 13, 2017

Agenda Item # 8

PFM FINANCIAL CONSULTING SERVICES CONTRACT

Action Requested: Authorize Staff

Key Staff: Timothy Jones, Accounting Manager

Recommendation

Authorize staff to execute the attached financial consulting services contract with Public Financial Management, Inc. (PFM).

Background Information

On October 13, 2016, the STA Board selected PFM's \$42,000 consulting services proposal. However, the staff report did not include the costs of additional ongoing professional services that were a part of the consultant's proposal. With the additional services, the total contract will exceed \$50,000, therefore requiring Board approval. The contract is pending execution.

Discussion

PFM will assist staff with the following:

- Refine Measure A revenue projections and assumptions
- Update project scopes and cost estimates
- Determine cash flow requirements
- Identify types and scheduling of financing mechanisms
- Prepare draft update of the Measure A Capital Allocation Plan
- Prepare final Measure A Capital Allocation Plan

Contract costs will be funded from two sources. The six activities itemized above, which are included in the contract's Scope of Services (Exhibit A), are expected to be completed by December 2017 and cost no more than \$42,000. These charges will be paid from STA administrative funds during fiscal years 2016-17 and 2017-18. All ongoing services not related to a bond issuance will be paid for using administrative funds, however the total for these services will be limited to \$15,000 for fiscal year 2017-18. Transaction fees related to a bond issuance (\$55,000 - \$67,000) as well as ongoing services related to an issuance will be paid for using debt service funds.