

M · E · M · O

Alameda Corridor Transportation Authority

November 15, 2021

To:	Governing Board
From:	Kevin L. Scott, Chief Financial Officer 
Subject:	<i>APPROVE Fourteenth Amendment to Agreement No. C0637 with PFM Financial Advisors LLC for financial advisory services, to increase the contract value by \$80,000</i>

Recommendation:

Approve the proposed Fourteenth Amendment to Agreement No. C0637 with PFM Financial Advisors LLC ("PFMFA") to increase the contract value by \$80,000, and authorize the Chief Executive Officer or Chief Financial Officer to execute said Amendment.

Discussion:

PFMFA has provided financial advisory services to ACTA over the past eighteen years. The firm has significant expertise in transportation and toll revenue financing and has assisted ACTA on several bond refinancing transactions and other vital fiscal matters during the term of the agreement. ACTA's debt structure is complex, involving senior, first subordinate, second subordinate, taxable, tax-exempt, interest bearing and capital appreciation bonds. ACTA's revenue pledge and priority of payment structure is also complex. ACTA's management requires the services of PFMFA on a regular basis to assist with the annual rating agencies' review process and when special needs arise, such as assessing the impact of COVID-19 on ACTA's ability to pay debt service. In addition, in the immediate near term, PFMFA's services are necessary for ACTA to consider potential bond financing options, as well as assisting ACTA in undertaking any selected financial transactions.

Authorization to execute the Fourteenth Amendment to Agreement No. C0637 is requested to increase the agreement compensation value by \$80,000, bringing the total not-to-exceed amount to \$975,000.



Budget Impact:

The agreement has a current not-to-exceed compensation amount, approved by the Board on December 10, 2020, of \$895,000. Expenditures to date total \$849,626.

The additional budget of approximately \$80,000 for financial advisory costs were not included in the FY21 Program and Operating Budget that was approved by ACTA's Governing Board, however, we will strive to manage our overall expenditures to be within the approved FY21 budget.

Co-General Counsel Review:

ACTA's Co-General Counsel has reviewed and approved the proposed Amendment as to form.

Transmittal:

Transmittal 1 - Fourteenth Amendment to PFMFA Agreement No. C0637