


M E M O

Alameda Corridor Transportation Authority

To: Governing Board

Meeting Date: May 15, 2025

From: Kevin L. Scott, Chief Financial Officer 

Subject: APPROVE First Amendment to Agreement No. C0915 with PFM Financial Advisors LLC to increase the contract value by \$300,000 for a total compensation amount of \$600,000 for financial advisory services

Recommendation:

Approve the proposed First Amendment to Agreement No. C0915 with PFM Financial Advisors LLC ("PFM") to increase the contract value by \$300,000 for a total agreement compensation amount of \$600,000 for financial advisory services and authorize the Chief Executive Officer to execute the Amendment.

Discussion:

PFM provides financial advisory services to ACTA. 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 over the past 23 years. 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 management utilizes the services of PFM on a regular basis to assist with the annual rating agencies' review process and when special needs arise such as analyzing ACTA's financing options and issuing refunding bonds. PFM has an in-depth understanding of ACTA's debt structure, and continued utilization of the firm will provide ACTA with continuity of services and continued access to PFM's bond market knowledge and sophistication.

While PFM has served as financial advisor to ACTA since 2002, the current contract was awarded by the Governing Board in June 2023 after a competitive selection process was conducted. The agreement currently has a not-to-exceed amount of \$300,000 and will expire on June 5, 2028. The requested increase in funding is necessary to continue receiving PFM's advisory services, including any essential analysis related ACTA's bond refinancing transactions.

Authorization to execute the First Amendment to Agreement No. C0915 is requested to increase the contract value by \$300,000, bringing the total not-to-exceed value to \$600,000.

Budget Impact:

If the amendment is approved, the proposed not to exceed amount for the Agreement will be \$600,000 for the five-year term. For current fiscal year 2025-26 the proposed annual budget amount for the Agreement is \$180,000. For subsequent fiscal years, the annual budget will be submitted for Governing Board approval and limited to not exceed the agreement amount over the term of the agreement.

Co-General Counsel Review:

ACTA's Co-General Counsel has reviewed and approved the proposed First Amendment to Agreement No. C0915 as to form.

Transmittals:

Transmittal 1 – First Amendment to Agreement No. C0915