



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Treasurer-Tax Collector
Department No.: 065
For Agenda Of: 10/2/18
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: 4/5 Vote

TO: Board of Supervisors

FROM: Department Harry E. Hagen, CPA, CFIP, CGIP, CPFO, ACPFIM
Director(s) Treasurer-Tax Collector-Public Administrator, 568-2490
Contact Info: Kim Tesoro, CPA, CFIP, CGIP, CPFO
Assistant Treasurer-Tax Collector-Public Administrator, 568-2153

SUBJECT: Contract with KNN Public Financing for on-call municipal advisory services

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a. Approve and authorize the Chair to execute an Agreement for Services of Independent Contractor with KNN Public Finance, LLC in an amount not to exceed \$50,000 per year and a total contract amount not to exceed \$150,000 for on-call municipal advisory services, with two 1-year options to renew (Attachment A); and
- b. Approve Budget Journal Entry #0006007 appropriating \$50,000 in expenditures from fund balance (Attachment C); and
- c. Determine that the above action is not a project under the California Environmental Quality Act, pursuant to CEQA Guidelines Section 15378(b)(5), because it is a government fiscal activity which does not involve commitment to any specific project which may result in potentially significant physical impact on the environment.

Summary Text:

This agreement is for the firm of KNN Public Finance, LLC to provide municipal advisory services as requested by the Treasurer-Tax Collector. Municipal Advisors have specialized expertise in municipal debt issuance and perform such duties as analyzing financial markets, preparing debt service analyses,

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Auditor-Controller Concurrence

As to form: Yes

evaluating debt structuring alternatives and assisting in developing financing plans for capital projects. This agreement will give the Treasurer-Tax Collector the flexibility to use KNN as needed in future debt issuances.

KNN Public Finance, LLC has been providing the Treasurer-Tax Collector and Public Works with financial advisory services related to the financing of the proposed Tajiguas Resource Recovery Project.

Fiscal and Facilities Impacts:

Budgeted: No **Fiscal Analysis:**

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			
Fees			
Other:	\$ 50,000.00	\$ 50,000.00	
Total	\$ 50,000.00	\$ 50,000.00	\$ -

Narrative:

This agreement for on-call municipal advisory services is not to exceed \$50,000/year for 3 years for a total contract amount of \$150,000 with two 1-year options to renew. When the Treasurer-Tax Collector decides to move forward with a debt issuance, the agreement will be amended to provide for KNN to be paid a transaction fee and other expenses from the proceeds of the new debt issuance.

Key Contract Risks:

The Treasurer-Tax Collector views this contract as low risk because KNN Public Finance, LLC is highly experienced in financial matters and has worked with the Treasurer-Tax Collector for multiple years.

Special Instructions:

Please forward one signed copy of the agreement to Kim Tesoro in the Treasurer-Tax Collector's office.

Attachments:

- Attachment A – Agreement for Services of Independent Contractor
- Attachment B – Contract Summary Sheet
- Attachment C – Budget Revision

Authored by:

Kim Tesoro, CPA, Assistant Treasurer-Tax Collector, x2153