

# Bay Area Toll Authority Oversight Committee (BATA Oversight)

June 14, 2023

Agenda Item 4c - 23-0709

## Contract Amendment - Financial Advisory Services: PFM Financial Advisors LLC (\$300,000)

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### **Subject:**

Staff requests Committee approval of a sole source contract amendment to extend the contract with PFM Financial Advisors LLC (PFM) for one year to provide financial advisory services with annual funding of \$300,000. Total cost for PFM financial advisory services will increase from \$2,350,000 to \$2,650,000. Increased funding is subject to approval of the FY 2023-24 BATA budget.

### **Background:**

The five-year financial advisory services contract with PFM (formerly Public Financial Management, Inc.) was approved by this Committee in April 2016 following a competitive selection process. A pre-qualified bench of financial advisors, including PFM, was selected to provide financial advisory services for a five-year period beginning July 1, 2016 through June 30, 2021 with an option to extend for an additional two years. This sole source contract amendment is being requested to extend the existing agreement and add funds while staff completes a new procurement to provide these services.

In FY 2020-21, staff requested and received Committee approval for a two-year contract extension. A contract amendment was executed for the first extension. Staff is requesting an additional extension for one-year, through June 30, 2024.

PFM has significant knowledge about BATA's existing bond program and is currently assisting BATA in developing the RM3 financing program. PFM is also providing assistance in the upcoming underwriter request for qualifications (RFQ). PFM's continued effort is important for successful completion of these two projects.

PFM has provided valuable assistance over the past seven years. This assistance included advice in the structuring and planning of several BATA refinancing transactions that have produced significant debt service savings to BATA.

PFM performs other services such as swap valuation and debt covenant calculations that are not necessarily tied to a financing. For these services, staff recommends an amount not to exceed \$300,000 for the one fiscal year extension.

PFM is neither a small business nor a disadvantaged business enterprise and has no subcontractors.

**Recommendation:**

Staff recommends that the Committee authorize the Executive Director or designee to negotiate and enter into a contract amendment including a one-year extension with PFM with annual funding of \$300,000. Total costs for PFM financial advisory services will increase from \$2,350,000 to \$2,650,000. Funding is subject to approval of the FY 2023-24 BATA budget.

**Attachments:**

Request for Committee Approval – Summary of Proposed Contract Amendment



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Andrew Fremier

## REQUEST FOR COMMITTEE APPROVAL

### Summary of Proposed Contract Amendment

Work Item No.: 1254

Consultant: PFM Financial Advisors LLC  
Philadelphia, PA

Work Project Title: Financial Advisory Services

Purpose of Project: To provide financial advisory services

Brief Scope of Work: To provide financial advisory services

Project Cost Not to Exceed: This amendment: \$300,000 (\$300,000 per fiscal year)  
Current contract amount before this amendment: \$2,350,000  
Maximum contract amount after this amendment: \$2,650,000

Funding Source: BATA Operating Budget

Fiscal Impact: Funds are subject to inclusion in and approval of the FY 2023-24 budget

Motion by Committee: That the Executive Director or designee is authorized to negotiate and enter into a contract amendment with PFM Financial Advisors LLC to continue providing financial advisory services, beginning July 1, 2023 through June 30, 2024 as described above and in the BATA Oversight Committee Summary Sheet dated June 14, 2023 and the Chief Financial Officer is directed to set aside \$300,000 for fiscal year 2023-24 for such contract amendment, subject to the approval of the FY 2023-24 BATA budget.

BATA Oversight: \_\_\_\_\_  
Federal Glover, Chair

Approved: June 14, 2023