

ABAG Finance Authority for Nonprofit Corporations

Executive Committee

April 2, 2020

Agenda Item 9.b.

Consulting Contracts

Subject: Authorization to modify and extend an existing contract with Goodwin Consulting Group and NBS Consulting on a sole source basis to provide advisory services related to the ongoing administration of five Community Facilities Districts in the ABAG FAN portfolio with an annual budget of \$40,000 for each CFD for a five year period renewable annually based on budget, pricing and continued effective service levels until the bonds on the Community Facilities Districts are fully retired

Background: Staff requests ABAG FAN Executive Committee approval to modify and extend the existing contract with Goodwin Consulting Group (Goodwin) and NBS Consulting (NBS) on a sole source basis to provide administrative services to the five (5) Community Facilities Districts (CFD) in the ABAG FAN portfolio. Staff requests a five year extension renewable annually based on budget, pricing and continued effective service levels until the bonds on the CFD's are fully retired.

Issues: ABAG Finance Authority for Nonprofit Corporations (ABAG FAN) currently administers a portfolio of five Community Facilities District transactions, each of which require substantial monitoring to ensure compliance with state and federal laws, including IRS tax and CFD compliance regulations. Both Goodwin and NBS have provided valuable, consistent services to the CFDs administered through ABAG FAN.

Both firms have special expertise in special district financing formation, annual tax administration, cost allocation plans, and fee studies. They also provide prepayment calculations, continuing disclosure, delinquency management, and covenant compliance services. The firms have also developed an intrinsic understanding of our special districts since both have provided administration for their respective districts since their inception.

The specialized nature of administering Special Districts puts these two firms in a unique position. Both manage administration and compliance, are thoroughly experienced, and provide valuable back up to step in if one firm should fail. Because of the critical nature of the tax and financial compliance requirement of special district administration, staff believes maintaining continuity of administration helps mitigate the risk of future compliance failures.

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Recommended Action: The ABAG FAN Executive Committee is requested to authorize the Executive Director of the Metropolitan Transportation Commission, or her designee, to negotiate and enter into sole source contracts with Goodwin Consulting Group and NBS Consulting to perform advisory services related to the ongoing administration of Community Facilities Districts in the ABAG FAN portfolio with an annual budget of \$40,000 for each CFD, and to authorize a five year contract extension renewable annually based on budget, pricing and continued effective service levels until the bonds on the CFD's are fully retired.

Attachments: Summary Approval

Reviewed:



Therese W. McMillan