

**Bay Area Toll Authority  
BATA**

**June 26, 2024**

**Agenda Item 3b - 24-0743**

**Consultant Bench – 2024 Municipal Advisory Services– Cycle 1 for Service Category:  
Transportation Financing (Montague DeRose and Associates, LLC; PFM Financial  
Advisors LLC; and Sperry Capital Inc.)**

**Consultant Bench – 2024 Municipal Advisory Services– Cycle 1 for Service Category:  
Swap Advisory (BLX Group LLC; Montague DeRose and Associates, LLC; PFM Swap  
Advisors LLC)**

**Contract Approval – PFM Financial Advisors LLC (\$1,000,000)**

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**Subject:**

Request for Authority approval of:

- (1) a pre-qualified list of firms (Municipal Advisory Services Bench for Service Category: Transportation Financing) from which BATA may contract with approved firms on an as-needed basis to provide municipal advisory services for BATA. The Municipal Advisory (MA) Bench for Service Category: Transportation Financing’s Performance Period will end on June 30, 2029, with the option to extend for two (2) additional years. The Bench will consist of Montague DeRose and Associates, LLC, PFM Financial Advisors LLC, and Sperry Capital Inc.
- (2) authority to negotiate and enter into a contract with PFM Financial Advisors LLC in an amount not to exceed \$1,000,000 to provide municipal advisory services. The term of the contract will not exceed June 30, 2029, with an option to extend for an additional two (2) years.
- (3) a pre-qualified list of firms (Municipal Advisory Service Bench for Service Category: Swap Advisory) from which BATA may contract with approved firms to provide swap advisory services for BATA. The Swap Bench for Service Category: Swap Advisory’s Performance Period will end on June 30, 2029, with the option to extend for two (2) additional years. The Bench will consist of BLX Group LLC, Montague DeRose and Associates, LLC, and PFM Swap Advisors LLC.
- (4) delegation of authority to the Metropolitan Transportation Commission (MTC) to hear and decide upon any protests related to the aforementioned procurements.

**Background:**

BATA requires municipal advisory service firms to assist in the issuance of debt and in the ongoing management of BATA's Debt and Swap Portfolios. BATA currently has an approximately \$9.5 billion debt portfolio and \$1.4 billion swap portfolio.

**Procurement Process:**

In March 2024, MTC and the agencies staffed by MTC, including BATA, issued a Request for Qualifications (RFQ) for Municipal Advisory Services inviting firms to submit Statement of Qualifications (SOQs) for the following BATA Service Categories: Transportation Financing and Swap Advisory. The Bench Performance Period will be until June 30, 2029, with the option to extend for two (2) additional years. The RFQ specified that BATA may elect to use the Bench as needed. The RFQ also specified that consultants may apply for any one or more of the following service categories on the Bench pertaining to BATA:

- a. Transportation Financing
- b. Swap Advisory

In response to the RFQ, SOQs were received from three (3) firms for the MA Bench for Service Category: Transportation Financing; and four (4) firms submitted SOQs for the MA Bench for Service Category: Swap Advisory. Of the four (4) SOQs received for the Swap Advisory service category, only three (3) were found to be responsive as one of the firms failed to meet the minimum qualifications. The SOQs were evaluated based upon the following evaluation criteria specified in the RFQ: 1) firm and staff qualifications and experience with advisory services; 2) relevant experience by Service Category applied for; 3) SOQ quality, completeness, clarity; 4) demonstrated commitment to equity; and 5) cost. Interviews were conducted with Montague DeRose and associates, PFM Financial Advisors, LLC and Sperry Capital for the Transportation Financing service category.

Based on the evaluation of the SOQs received, staff is recommending (1) Montague DeRose and Associates, LLC, PFM Financial Advisors LLC, and Sperry Capital Inc. to be included on the Municipal Advisory Services Bench (MA Bench) for the Transportation Financing service category, as summarized on Attachment A; and (2) BLX Group LLC, Montague De Rose and Associates, LLC and PFM Swap Advisors LLC to be included on the Municipal Advisory Services Bench for the Swap Advisory service category (Swap Bench) as summarized on

Attachment B. Sperry Capital Inc. is a small business enterprise. All the other firms under both service categories are neither small businesses nor disadvantaged business enterprises.

Additionally, staff requests approval to negotiate and enter into a contract with PFM Financial Advisors LLC in an amount not to exceed \$1,000,000 to provide municipal advisory services. The term of the contract will not exceed June 30, 2029, with the option to extend for two (2) additional years. PFM Financial Advisors LLC has extensive experience in transportation related municipal advisory and an in-depth understanding of BATA's debt portfolio.

Finally, in the event of any protests related to the benches, such protests will be delegated and submitted to MTC for review.

**Issues:**

None identified.

**Recommendation:**

Staff recommends that the Committee approve:

- (1) the Municipal Advisory Services Bench for Service Category: Transportation Financing to include Montague DeRose and Associates, LLC, PFM Financial Advisors LLC, and Sperry Capital Inc. to provide municipal advisory services on an as-needed basis from the date of approval through the end of June 30, 2029, with the option to extend for two (2) additional years;
- (2) the Municipal Advisory Services Bench for Service Category: Swap Advisory to include BLX Group LLC, Montague De Rose and Associates, LLC, and PFM Swap Advisors LLC to provide swap advisory services on an as-needed basis from the date of approval through June 30, 2029, with the option to extend for two (2) additional years; and
- (3) authorization for the Executive Director or designee to negotiate and enter into a contract with PFM Financial Advisors LLC in an amount not to exceed \$1,000,000 to provide municipal advisory services subject to future budget approvals. The term for the contract shall not exceed June 30, 2029, with the option to extend for two additional years.
- (4) delegation of authority to MTC to hear and decide upon any protests related to the aforementioned procurements.

**Attachments:**

Attachment A: List of Firms for 2024 Municipal Advisory Services Bench for Transportation Financing Service Category

Attachment B: List of Firms for 2024 Municipal Advisory Services Bench for Swap Advisory Service Category

Attachment C: Disadvantaged Business Enterprise and Small Business Enterprise Status



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Alix A. Bockelman

**Attachment A  
2024 Municipal Advisory Services Bench – Cycle 1  
Transportation Financing Service Category**

|                  | <b>Firm Name</b>                    | <b>Transportation<br/>Financing<br/>Service<br/>Category</b> |
|------------------|-------------------------------------|--|
| Prime Contractor | Montague DeRose and Associates, LLC | 1  |
| Prime Contractor | PFM Financial Advisors LLC          | 1  |
| Prime Contractor | Sperry Capital Inc.                 | 1  |

**Attachment B**  
**2024 Municipal Advisory Services Bench – Cycle 1**  
**Swap Advisory Service Category**

|                  | <b>Firm Name</b>                    | <b>Swap Advisory Service Category</b> |
|------------------|-------------------------------------|---------------------------------------|
| Prime Contractor | BLX Group LLC                       | 1                                     |
| Prime Contractor | Montague DeRose and Associates, LLC | 1                                     |
| Prime Contractor | PFM Swap Advisors LLC               | 1                                     |

**Attachment C  
Disadvantaged Business Enterprise and Small Business Enterprise Statuses**

2024 Municipal Advisory Services Bench – Cycle 1  
Transportation Financing Service Category

|       | Firm Name                           | DBE |     |                | SBE |     |                |
|-------|-------------------------------------|-----|-----|----------------|-----|-----|----------------|
|       |                                     | No  | Yes | If Yes, List # | No  | Yes | If Yes, List # |
| Prime | Montague DeRose and Associates, LLC | X   |     |                | X   |     |                |
| Prime | PFM Financial Advisors LLC          | X   |     |                | X   |     |                |
| Prime | Sperry Capital Inc                  | X   |     |                |     | X   | 25586          |
| Sub   | Fieldman, Rolapp & Associates       | X   |     |                |     | X   | 1754409        |

2024 Municipal Advisory Services Bench – Cycle 1  
Swap Advisory Service Category

|       | Firm Name                           | DBE |     |                | SBE |     |                |
|-------|-------------------------------------|-----|-----|----------------|-----|-----|----------------|
|       |                                     | No  | Yes | If Yes, List # | No  | Yes | If Yes, List # |
| Prime | BLX Group LLC                       | X   |     |                | X   |     |                |
| Prime | Montague DeRose and Associates, LLC | X   |     |                | X   |     |                |
| Prime | PFM Swap Advisors LLC               | X   |     |                | X   |     |                |

**Request for Authority Approval**

**Summary of Proposed 2024 Municipal Advisory Services Bench – Cycle 1 for Service**

**Category: Transportation Financing**

Work Item No.: 1254

Vendors: See the BATA Summary Sheet dated June 26, 2024, Attachment A

Work Project Title: 2024 Municipal Advisory Services Bench – Cycle 1 – Service  
Category: Transportation Financing

Purpose of Project: Provide as-needed municipal advisory services

Brief Scope of Work: Provide as-needed municipal advisory services to BATA for  
Transportation Financing

Project Cost Not to Exceed: To be determined on a per-contract basis

Funding Source: BATA Operating Budget and Proceeds of bond issuance

Motion by Authority: That the consultants listed in the BATA Summary Sheet dated June 26, 2024, Attachment A be prequalified to enter into contracts with BATA to provide as-needed municipal advisory services through June 30, 2029, with the option to extend for two (2) additional years, as described above and in the BATA Summary Sheet dated June 26, 2024, subject to applicable contract approval procedures and necessary budget approvals, and that MTC is authorized to hear and decide upon any protests related to this procurement.

Bay Area Toll Authority:

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Alfredo Pedroza, Chair

Approved: June 26, 2024



**Request for Authority Approval**

**Summary of Proposed 2024 Swap Advisory Services Bench – Cycle 1 for Service Category:  
Swap Advisory**

Work Item No.: 1254

Vendors: See the BATA Summary Sheet dated June 26, 2024, Attachment B

Work Project Title: 2024 Swap Advisory Services Bench – Cycle 1 for Service Category:  
Swap Advisory

Purpose of Project: Provide Swap advisory services

Brief Scope of Work: Provide Swap advisory services to BATA

Project Cost Not to Exceed: To be determined on a per-contract basis

Funding Source: BATA Operating Budget and Proceeds of bond issuance

Motion by Authority: That the consultants listed in the BATA Summary Sheet dated June 26, 2024, Attachment B be prequalified to enter into contracts with BATA to provide swap advisory services through June 30, 2029, with the option to extend for two (2) additional years, as described above and in the BATA Summary Sheet dated June 26, 2024, subject to applicable contract approval procedures and necessary budget approvals, and that MTC is authorized to hear and decide upon any protests related to this procurement.

Bay Area Toll Authority:

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Alfredo Pedroza, Chair

Approved: June 26, 2024

**Request for Authority Approval**

**Summary of Proposed Municipal Advisory Services Contract – Cycle 1 for Service**

**Category: Transportation Financing**

Work Item No.: 1254

Vendors: PFM Financial Advisors LLC

Work Project Title: Municipal Advisory Services

Purpose of Project: Provide Municipal advisory services

Brief Scope of Work: Provide Municipal advisory services for BATA

Project Cost Not to Exceed: \$1,000,000

Funding Source: BATA Operating Budget and Proceeds of bond issuance

Motion by Committee: That the Executive Director is authorized to negotiate and enter into a contract with PFM Financial Advisors LLC to provide Municipal advisory services described above and in the BATA Summary Sheet dated June 26, 2024 and that the Chief Financial Officer is authorized to set aside funds for such contracts subject to the approval of future BATA budgets.

Bay Area Toll Authority:

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Alfredo Pedroza, Chair

Approved: June 26, 2024