



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 24-233, **Version:** 1

- a. Approve and authorize the Contracts Purchasing Officer to execute a Renewal and Amendment No. 2 to an agreement with KNN Public Finance, LLC for the provision of municipal financing services, extending the term by one additional year, for a new term retroactive to March 10, 2024, through March 10, 2025, and increasing the contract amount by \$100,000 for an amount not to exceed \$200,000; and
- b. Approve and authorize Contracts Purchasing Officer to approve up to three (3) future amendments that do not exceed 10% (\$20,000) of the Agreement amount and do not significantly alter the scope of services.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts Purchasing Officer to execute a Renewal and Amendment No. 2 to an agreement with KNN Public Finance, LLC for the provision of municipal financing services, extending the term by one additional year, for a new term retroactive to March 10, 2024, through March 10, 2025, and increasing the contract amount by \$100,000 for an amount not to exceed \$200,000; and
- b. Approve and authorize Contracts Purchasing Officer to approve up to three (3) future amendments that do not exceed 10% (\$20,000) of the Agreement amount and do not significantly alter the scope of services.

SUMMARY:

In 2014, the County went through the Request for Proposal (RFP) process to create a pool of financing professionals, including: financial advisors; bond, tax, and disclosure counsel; underwriters; and arbitrate rebate consultants. The RFP (#10493) resulted in a pool of financing professionals. Based on its experience and price, the County selected KNN Public Financing, LLC (KNN) as its financial advising team for the 2017 debt issuance process.

DISCUSSION:

KNN is an independent municipal advisory firm, registered as a Municipal Advisor with both the Municipal Securities Rulemaking Board (MSRB) and U.S. Securities and Exchange Commission (SEC). KNN provides the County independent, objective analysis and advice to support the County in making informed decisions about its debt and capital programs. The County has maintained the agreement with KNN for on call services related to debt analysis, bond and financing consultations, transactional analysis, and other services related to debt and financing.

The original agreement was previously extended through March 10, 2024, at the original amount of \$100,000. The contract expired on March 10, 2024; therefore, the request is a retroactive approval due to delays in the approval process. The recommended action extends the term from March 10, 2024, to March 10, 2025, and adds an additional \$100,000 to the agreement for a total not to exceed amount of \$200,000.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Agreement as to legal form provisions and the Auditor-Controller has reviewed and approved as to fiscal terms.

FINANCING:

Funding for these services is included in the FY 2023-24 Adopted Budget and the FY 2024-25 Recommended Budget. There is no impact to the General Fund.

BOARD OF SUPERVISORS' STRATEGIC INITIATIVES:

The proposed recommended action addresses the Board of Supervisors' Administration Strategic Initiative. The services provided by KNN will ensure that the County's has appropriate consulting services for debt, bond, and financing services, allowing the County to make well-informed decisions on debt issuance and financing solutions.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared By: Raquel Escorcia, Principal Administrative Analyst

Approved By: Ezequiel Vega, Assistant County Administrative Officer

Attachments: KNN Public Finance Agreement; KNN Amendment No. 1; KNN Amendment No. 2; Exhibit A-2 -Scope of Services for Municipal Advisory Services; Exhibit B-2 - Fee Schedule