



COUNTY OF NEVADA COUNTY EXECUTIVE OFFICE

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NEVADA COUNTY BOARD OF SUPERVISORS Board Agenda Memo

MEETING DATE: May 22, 2018

TO: Board of Supervisors

FROM: County Executive Office

SUBJECT: Resolution Approving Execution of Contract with KNN Public Finance, LLC for Financial Advisory Services with Respect to a Bond Financing Transaction for the Nevada County Operations Center Project in the Maximum Contract Amount of \$96,000.00, and Authorizing the Chair of the Board of Supervisors to Execute the Agreement.

RECOMMENDATION: Approve the attached Resolution.

FUNDING: This contract will be paid with bond proceeds for the Nevada County Operations Center Project (“the Project”), if and when the proposed financing transaction closes. The Building Debt Financing budget will be impacted when the bond revenues and bond related expenses (such as payments to vendors for construction of the project) occur. A budget amendment will be brought to the Board of Supervisors along with the approval to issue bonds. It’s expected that such approval will be requested in August/September, 2018, and the bonds issued in October, 2018.

BACKGROUND:

On April 24, 2018 a presentation was given to the Board of Supervisors related to the Project, and in that meeting the Board approved a pre and post-construction service contract with APSI Construction Management. The presentation mentioned this Financial Advisory contract as an upcoming item related to the Project. The Financial Advisory contract is necessary to assist in financing of up to \$18 million in bonds to be issued through a public sale. Details of the terms of the bonds will be developed in coming months and will be brought to the Board of Supervisors for approval prior to issuing the bonds. It is expected that a request for approval to issue bonds will be brought to the Board of Supervisors in August/September, 2018 and the bonds issued in October, 2018.

As a registered municipal advisor, KNN Public Finance, LLC maintains a fiduciary duty to represent the County's best interest in the bond financing transactions, including assisting with optimal financing terms and negotiating with lenders. The contractor will work closely with county staff, Bond Counsel, and others involved in the project. The contractor has experience with tax-exempt financing and bond transactions in general that will ensure that the appropriate due diligence and best practice financing methods will be brought to this project.

Item Initiated by: Martin Polt, Deputy County Executive Officer

Approved by: Richard A. Haffey, County Executive Officer