



COUNTY OF NEVADA
COUNTY EXECUTIVE OFFICE
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NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: February 7, 2023

TO: Board of Supervisors

FROM: Alison Lehman, CEO

SUBJECT: Resolution approving execution of Amendment 1 to the contract between the County of Nevada and KNN Public Finance, LLC to serve as the county's municipal advisor in connection with the issuance of debt obligations for the capital construction improvement project ("Project") at the existing McCourtney Road Transfer Station in Nevada County, to revise Exhibit A and Exhibit B to reflect changes to the Project financing plan.

RECOMMENDATION: Approve the attached Resolution.

FUNDING: Contract budget was established in the County Executive Office budget with offsetting reimbursement from the Western County Solid Waste Fund (the "Fund"). No change to that budget is proposed in connection with this amendment, and there is no impact to the General Fund.

BACKGROUND: The primary source of funding for the Project is, and has always been intended to be the Fund. The first round of bids for the Project were significantly higher than anticipated and exceeded available funds in the Fund. Staff conducted detailed fiscal analysis and determined that if a second round of bids resulted in Project costs similar to those of the first round of bids, external financing would be needed to ensure sufficient Project funding.

Accordingly, on December 6, 2022, your Board approved a contract with KNN Public Finance, LLC to serve as the county's municipal advisor in connection with the issuance of debt obligations for the Project.

However, the second round of bids ultimately resulted in Project costs that were much lower than the first round. These new costs were low enough that staff determined private financing no longer made sense. At that point, KNN was informed of the decision and work authorized under the contract was halted. That being said, KNN had already performed a majority of the work under the contract, and it is staff's recommendation that the vendor should be paid for those services.

In order to pay KNN for the work that was done under the contract prior to the County's decision to halt the private financing process, certain revisions are required to be made to the Scope of Services (Exhibit A) and the Schedule of Charges (Exhibit B). The proposed changes do not fundamentally alter the nature of the work that was authorized under the original contract. A redline version of each document, showing the nature of changes is included for reference.

Item Initiated by: Barry Anderson, Management Analyst, County Executive Office

Approved by: Alison Lehman, County Executive Officer