



Legislation Text

File #: 18-0434, **Version:** 1

Auditor-Controller recommending the Board Authorize and Execute the First Amendment to Agreement 548-S1311 with NBS Government Finance Group, Inc. for the provision of Mello Roos bond administrative services, extending this agreement for one additional year through April 30, 2019, and increasing the not-to exceed amount by \$50,000 for a new maximum amount of \$300,000.

FUNDING: Mello Roos District Revenues.

DEPARTMENT RECOMMENDATION

- 1) Make findings that it is more economical and feasible to contract out the services in accordance with County Ordinance Chapter 3.13, Section 3.13.030.

- 2) Approve Amendment to Agreement 548-S1311 with NBS Government Finance Group, Inc. ("NBS") for the provision of Mello Roos bond administrative services for El Dorado Hills Community Facilities District 1992-1 (Serrano), Community Facilities District 2001-1 (Promontory), Community Facilities District 2005-1 (Blackstone), Community Facilities District 2005-2 (Laurel Oaks), and any additional Community Facilities Districts Bond administration services which may be formed during the term of the contract.

DISCUSSION / BACKGROUND

On April, 30, 2013 your board authorized and executed Agreement 548-S1311 with NBS Government Finance Group (NBS). This agreement is expiring on April 30, 2018. The Auditor- Controller requests that the Board of Supervisors approve an amendment agreement with NBS to provide Mello Roos Community Facilities District bond administration services, extending this agreement for one additional year and increase the not-to exceed amount by \$50,000 for a new not-to-exceed amount of \$300,000. The County Officer with responsibility for administering this agreement is Joe Harn, Auditor-Controller.

Since the County issued its first Mello Roos bonds in 1994, the County has engaged special tax consultants to provide bond administration services to the County. The cost of these services will be exclusively the responsibility of the property owners in the district. The only foreseeable circumstance that would make the County partially responsible for debt service payments or damages to bond investors would be if an error or omission is made by the County in the formation of the district, in the preparation of the offering statement, in the ongoing SEC required disclosures, or in the administration of the assessment district. NBS assists the Auditor-Controller's Office in administering the County's Mello Roos Districts in accordance with state law, federal law, and the bond indentures. NBS assists Cities and Counties in California in managing over 200 Mello Roos Districts. With NBS assistance, the County's likelihood of a material error or omission in administering the County's Mello Roos Districts is reduced to a low level. The Auditor-Controller recommends that the county contract with NBS to prepare the District's tax roll, and to serve, when requested, as the County's expert in Mello Roos District administration.

In accordance with County Ordinance Chapter 3.13, Section 3.13.030, comparative cost analysis would not be feasible. Special skills and qualifications are needed to perform the work of this contract and the Consultant possesses the skills and experience specific to those required for bond administration of Mello Roos Districts.

ALTERNATIVES

NA

OTHER DEPARTMENT / AGENCY INVOLVEMENT

NA

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

No Financial Impact

CLERK OF THE BOARD FOLLOW UP ACTIONS

Board Clerk's office will obtain Chair's signature and forward the executed agreement to Joe Harn, the Auditor-Controller for distribution.

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

Joe Harn