



**COUNTY OF SAN MATEO**  
**Inter-Departmental Correspondence**  
**County Manager's Office**



**DATE:** December 8, 2015  
**BOARD MEETING DATE:** December 15, 2015  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** Majority

**TO:** Honorable Board of Supervisors

**FROM:** John L. Maltbie, County Manager

**SUBJECT:** Resolution Authorizing Agreements with California Financial Services and Sidley Austin LLP for Financial Advisory and Disclosure Counsel Services in connection with County financings

**RECOMMENDATION:**

Adopt a resolution authorizing agreements with California Financial Services for financial advisory services and Sidley Austin LLP for disclosure counsel services related to the refinancing of the 1997 and 2004 Colma Creek Flood Control Zone Certificates of Participation and the refunding of all outstanding Lease Revenue Bonds (Youth Services Campus), 2008 Series A.

**BACKGROUND:**

This Board and the San Mateo County Joint Powers Financing Authority (the "Authority") have previously authorized the issuance of Refunding Lease Revenue Bonds (Youth Services Center), 2016 Series A, for the refinancing of the Authority's Lease Revenue Bonds (Youth Services Center), 2008 Series A, in an aggregate principal amount not to exceed \$135 million. The issuance of bonds presents unique financial advisory and legal issues requiring specific expertise in bond financing and tax law and the disclosures to be made thereunder.

Both California Financial Services ("CFS") and Sidley Austin LLP ("Sidley") are particularly well qualified and have done considerable work as the County's financial advisor and disclosure counsel, respectively, for the County, the Authority, and other public entities. CFS and Sidley have provided services to the County in the past -- including most recently in connection with the lease revenue bonds that financed construction of the Maple Street Correctional Center in 2014 -- with excellent results. Due to these firms' familiarity with the County and their prior experience assisting the County in financing matters, waivers of the Request for Proposal process are in the County's best interests.

**DISCUSSION:**

Under the proposed disclosure counsel agreement, Sidley will be compensated at an hourly rate upon presentation of invoices. The term of the proposed agreement with Sidley will cover the County's refunding of all of the outstanding Youth Services Campus, 2008 Series A Bonds, with a total compensation not to exceed \$100,000. With respect to CFS, the proposed agreement will provide compensation of \$115,000 for each of: 1) the refinancing of the 1997 and 2004 Colma Creek Flood Control Zone Certificates of Participation; and 2) the refunding of all of the outstanding Lease Revenue Bonds (Youth Services Campus), 2008 Series A.

The agreements and resolutions have been reviewed and approved by County Counsel.

Authorizing these agreements will contribute to the Shared Vision 2025 outcome of a collaborative community by supporting fiscal accountability.

**FISCAL IMPACT:**

The maximum amount to be paid pursuant to Sidley's disclosure counsel agreement would be \$100,000. The maximum amount to be paid pursuant to the CFS financial advisory services agreement is \$230,000. Any amounts paid will be paid out of financing proceeds. There is no additional net county cost.