



Topic: **Reservoir Committee Agenda Item 2.6** **2020 October 16**

Subject: **Task Order Municipal Advisor (Montague DeRose and Associates)**

Requested Action:

Authorize a contract amendment with Montague DeRose and Associates, LLC (MDA) to incorporate Task Order No. 1.0 scope of work and budget in the amount of \$148,400 for a new total contract authority of \$828,800 with a period performance end date of December 31, 2021.

Detailed Description/Background:

The Amendment 2 work plan was approved in August 2020. A placeholder budget was included for meeting the Prop 1 (WSIP) 75% local cost share commitment under the title "Plan of Finance" where a better framing of the required scope was necessary. A project financing work plan to further define necessary scope, schedule, and resources for the local cost share commitment effort is to be considered for approval under Agenda Item 2.4. Should this plan be adopted, the resulting scope and budget change are captured in MDA task order 1.0.

Task Order 1.0 contains the following tasks:

- **Update Sites Financial Model:** Work associated with updating the Sites Financial Model including incorporating new material from engineering cost estimates and schedules, OM&R costs, water availability, current and forecasted financial market assumptions and various reviews. (\$15,410)
- **Interim Financing Alternatives:** Work associated with development of alternatives for interim financing including review of financing market, identification of alternatives, credit requirements, and financing costs by participant. An interim finance approach will be recommended. (\$25,620)
- **Permanent Financing Alternatives:** Work associated with development of alternatives for permanent financing including review of financing market, identification of alternatives, credit requirements and financing costs by participant. A permanent finance approach will be recommended. (\$30,320)
- **Plan of Finance:** Work associated with development of a plan of finance for Reservoir Committee and Authority Board approval. (\$25,560)
- **Update Interim Finance RFP:** Work associated with updating the Interim Finance RFP based on the Plan of Finance. (\$6,220)
- **Financial Feasibility Support:** Work associated with supporting development of the financial feasibility portion of the CWC Feasibility Report including preparation of a summary of public and non-public funding, demonstrating beneficiary pays and providing input into the final CWC feasibility study document. (\$45,270)

Prior Action:

November 21, 2019: Approved Amendment No. 5 – included additional Phase 2 (2019) municipal advisor scope and budget to their contract with a contract ceiling increase from \$600,000 to \$770,000.

August 26, 2019: Approved Amendment No. 4 – included additional Phase 2 (2019) municipal advisor scope and budget to their contract with a contract ceiling increase from \$520,000 to \$600,000.

March 17, 2019: Approved Amendment No. 3 - included additional Phase 1 Critical Task scope of work and budget to their contract with a contract ceiling increase from \$480,000 to \$520,000.

October 11, 2018: Approved Amendment No. 2 - included additional Phase 1 Critical Task scope of work and budget to their contract with a contract ceiling increase from \$400,000 to \$480,000.

August 9, 2018: Approved Amendment No. 1 - included additional Phase 1 Critical Task scope of work and budget to their contract with a contract ceiling increase from \$75,000 to \$400,000.

March 19, 2018: Approved Contract.

Fiscal Impact/Funding Source:

Sufficient funds are Included in the revised Amendment 2 Work Plan - plan of finance placeholder. Consultant activity will be monitored closely to ensure quality, timely deliverables and to ensure a positive project cash balance is always maintained.

Contract ceiling adjustment takes into account the total spent to date (prior to Amendment 2) and adds the task order budget. The contract ceiling prior to this task order was \$770,000 and would be increased to \$828,800.

Staff Contact:

Joe Trapasso/Jerry Brown

Attachments:

None.