



Consent Item 6

TO: East Bay Community Energy Board of Directors

FROM: Howard Chang, COO

SUBJECT: PFM Financial Advisors Contract

DATE: February 17, 2021

Recommendation

Adopt a Resolution authorizing the CEO to negotiate and execute a contract with Public Financial Management Financial Advisors (PFM) to provide financial advisory services with a not to exceed (NTE) of \$40,000.

Background and Discussion

EBCE occasionally uses external financial advising support in its regular operations. PFM has worked with EBCE in the past on financial advisory issues, including assistance on seeking banking and credit services related to selecting our current credit facility. EBCE is currently engaged with PFM in a joint contract with Silicon Valley Clean Energy (SVCE) for prepay energy financing services. This current contract with PFM has a NTE of \$250,000, of which EBCE is responsible for half, on a contingent basis. As per EBCE's Administrative Procurement Policy, Board approval is required for any additional contract costs because the total spend with PFM exceeds \$100,000 in a single calendar year.

The new contract would be a bilateral contract between EBCE and PFM and allow for additional financial advisory services outside of the scope of the prepay energy transaction. This scope would involve general finance support such as financial model building, credit evaluation, and credit ratings assistance. PFM has extensive experience working with a number of CCAs in providing advisory services, which includes credit ratings evaluation support. Most recently PFM assisted SVCE and Central Coast Community Energy (3CE).

Staff is seeking approval for a not to exceed amount of \$40,000 for a term through December 31, 2021 utilizing a form contract that is consistent with previously negotiated agreements.

Fiscal Impact

The contract is not to exceed \$40,000 and will be applied in the current fiscal year of 2020-2021 and into Fiscal year 2021-2022

Attachments

- A. Resolution to Approve the contract with PFM

RESOLUTION NO. __

A RESOLUTION OF THE BOARD OF DIRECTORS

OF THE EAST BAY COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A CONTRACT WITH PFM FINANCIAL ADVISORS LLC FOR FINANCIAL ADVISORY SERVICES

WHEREAS, the East Bay Community Energy Authority (“EBCE”) was formed as a community choice aggregation agency on December 1, 2016, under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions; and current members of EBCE include the County of Alameda and the cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, Union City, Newark, Pleasanton, and Tracy;

WHEREAS, Public Financial Advisors LLC (“PFM”) has provided financial advisor services to EBCE with respect to other projects;

WHEREAS, subject to the terms of an agreement (the “Financial Advisor Contract”) to be negotiated by the Chief Executive Officer (“CEO”), EBCE desires to retain PFM to provide financial advisor services in connection with other EBCE financial matters (including, but not limited to, financial modeling building, credit evaluation) as the CEO may approve;

WHEREAS, PFM estimated that its fees for such services will not exceed of \$40,000;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Board of Directors hereby authorizes the CEO to negotiate and execute the Financial Advisory Contract with PFM; provided that the compensation to PFM under such contract shall not to exceed of \$40,000 through December 31, 2021.

ADOPTED AND APPROVED this 17th day of February, 2021.

Dan Kalb, Chair

ATTEST:

Adrian Bankhead, Assistant Clerk of the Board