



DATE: June 18, 2018

TO: Mayor and Members of the City Council

VIA: Kevin M. Miller, City Manager

FROM: Edmund Suen, Finance Director

SUBJECT: APPROVAL OF A TWO YEAR EXTENSION OF MUNICIPAL ADVISORY SERVICES AGREEMENT WITH KITAHATA & COMPANY AND WILLIAM EUPHRAT MUNICIPAL ADVISORY SERVICES, INC. AS JOINT CONSULTANTS FOR THE LEVEE PROTECTION PLANNING AND IMPROVEMENTS PROJECT (CIP 301-657)

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### RECOMMENDATION

It is recommended that the City Council adopt the attached resolution approving a two-year extension to the agreement for municipal financial advisory services with Kitahata & Company and William Euphrat Municipal Finance, Inc., as joint consultants for the Levee Protection Planning and Improvements Project (CIP 301-657)

### EXECUTIVE SUMMARY

On September 8, 2015, the City Council adopted a resolution authorizing the City to enter into a professional services agreement with Kitahata & Company and William Euphrat Municipal Advisory Services, Inc. as Joint Consultants for the Levee Protection Planning and Improvements Project (CIP 301-657) through July 31, 2018. City staff have been satisfied with the Consultants' services for this project, which is anticipated to incur bond financing in FY 2018-2019. In the interest of securing the Consultants' continued services, City staff recommends an extension of the existing professional services agreement for an additional two years ending July 31, 2020.

### BACKGROUND AND ANALYSIS

The City has a joint team of two municipal financial advisors, consisting of Kitahata &

Company and William Euphrat Municipal Finance, Inc. (Consultants). The professional services agreement with the Consultants for the Levee Protection Planning and Improvements Project (CIP 301-657) has a termination date of July 31, 2018. The consultants have provided satisfactory municipal financial advisory services to the City. In anticipation of debt issuance(s) starting in FY 2018-2019, City staff recommends that the City Council approve a two-year extension until July 31, 2020 for the professional services agreement.

### FISCAL IMPACT

The Agreement with the Consultants for the Levee Protection Planning and Improvements Project includes \$80,000 to assist the City's evaluation of financing options and implementing a financing strategy (issuance of bonds) to pay for the project. This amount was appropriated in FY 2015-2016 in the Levee CIP Project and the unspent amount at the end of June 30, 2018 will be carried forward to FY 2018-2019.

#### Attachments:

- Attachment 1 - City Resolution
- Attachment 2 - Amendment of Agreement for Levee Protection Planning and Improvements Project (CIP 301-657)