



## Legislation Text

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**File #:** 19-512, **Version:** 1

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*Report Prepared by: Venus Rodriguez - Finance Officer*

**SUBJECT:** Approval of Consultant Agreements to Assist with Community Facility District 2006-1 Moraga Bonds Refinancing Including the Following Items: Fieldman, Rolapp & Associates (Financial Advisor), Norton, Rose, Fulbright (Bond Counsel and Disclosure Counsel), Goodwin Consulting Group (Special Tax Consultant), Brandis, Tallman LLC (Underwriter)

### REPORT IN BRIEF

Requesting approval for refinancing Moraga Community Facility District Special Revenue Bonds and approval for financial advisor, bond counsel, disclosure counsel, special tax consultant and underwriter.

### RECOMMENDATION

**City Council** - Adopt a motion:

A. Approving the following consultants for the refinancing:

1. For financial advisor, the firm of Fieldman, Rolapp & Associates of Irvine, CA. with Anna Sarabian as the principal on the project; and,
2. For bond counsel, the firm of Norton Rose Fulbright of Los Angeles, CA with Maryann Goodkind as the principal on the project. Norton Rose Fulbright served as disclosure counsel on bond deals for the City of Merced; and,
3. For disclosure counsel, the firm of Norton Rose Fulbright of Los Angeles, CA with Maryann Goodkind as the principal on the project. Ms. Goodkind served as disclosure counsel on the original issues; and,
4. For special tax consultant, the firm of Goodwin Consulting Group of Sacramento, CA with Dave Freudenberger as the principal on the project. Goodwin Consulting Group administers the current debt on Moraga; and,
5. For underwriter, the firm of Brandis Tallman LLC of San Francisco, CA with Rick Brandis as the principal on the project. Brandis Tallman LLC has underwritten several bond issues for the City with the latest being the refinancing of Bellevue Ranch West CFD Bonds in March 2018; and,

B. Authorizing the City Manager or the Assistant City Manager to execute the necessary documents; and,

C. Authorizing the Finance Officer to make necessary budget adjustments.

## **ALTERNATIVES**

1. Approve as recommended by staff; or
2. Refer to staff for reconsideration of specific items (specific items to be addressed in the motion); or
3. Continue to a future meeting (date and time to be specified in the motion); or
4. Deny

## **AUTHORITY**

Charter of the City of Merced, Section 200, et seq.  
California Government Code

## **CITY COUNCIL PRIORITIES**

Maintain a high quality of life for its citizens

## **DISCUSSION**

The current market conditions has provided a possible opportunity to refinance Community Facility District Bonds 2006-1 Moraga of Merced.

\$5,840,000 of Community Facility District Bonds were issued November 30, 2006 to finance the acquisition and/or construction of a portion of certain infrastructure improvement facilities of benefit to Moraga.

Refinancing these bonds based on current market rates produces average annual savings of about \$34,000 per year, which is about \$429,411 in total net present value savings.

Refinancing is contingent upon the financing team determining that the credit offered is of sufficient strength to be of interest to investors.

There will be no additional cost to the property owners benefiting from the districts. The outstanding debt amount will not increase as a result of this refinancing.

Work by the consultants will result in variety of documents necessary for the completion of the refinancing. These documents, such as resolutions, a purchase contract and official statement will be brought to the City Council for final approval before the refinancing transaction is completed.

It is estimated that the transaction will be completed at the end of 2019.

## **IMPACT ON CITY RESOURCES**

Other than staff time there will be no additional cost to the City. Consultants only receive payment if bonds are sold.

## **ATTACHMENTS**

1. Map of Moraga
2. Fieldman, Rolapp & Associates Professional Services Agreement
3. Norton Rose Fulbright Professional Services Agreement
4. Brandis Tallman Professional Services Agreement
5. Municipal Securities Rulemaking Board G-17 Form-Brandis Tallman
6. Goodwin Consulting Group Professional Services Agreement