

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 3.2  
(ID # 13216)**

**MEETING DATE:**  
Tuesday, August 25, 2020

**FROM:** EXECUTIVE OFFICE:

**SUBJECT:** EXECUTIVE OFFICE: Ratification and Approval of the Amendment No. 1 to the Professional Service Agreement with Fieldman, Rolapp and Associates and the Amendment No. 3 to the Professional Service Agreement with Columbia Capital Management, LLC to provide Financial Advisor Services for an additional Five Years; All Districts [\$1,000,000; up to \$100,000 in additional compensation - Bond Revenue 80%, Department Budget 20%]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Ratify and approve the Amendment No. 1 to the Professional Service Agreement with Fieldman, Rolapp and Associates to extend the contract period for an additional five years through July 31, 2025, for \$100,000 annually for a total contract amount of \$1,000,000 and the Amendment No. 3 to the Professional Service Agreement with Columbia Capital Management, LLC to extend the contract period for an additional five years through July 31, 2025 for \$100,000 annually for a total contract amount of \$1,000,000 to provide financial advisor services, collectively referred to as the "Amendments", and authorize the Chairman of the Board to execute the Amendments on behalf of the County, and;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved by County Counsel to sign amendments that exercise the options of the agreement including modifications to the statement of work that stay within the intent of the Agreement; and sign amendments to the compensation provisions that do not exceed the sum total of ten percent (10%) of the total annual cost of each contract.

**ACTION: Policy**

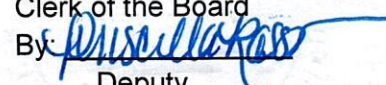
  
Stephanie Perez, Principal Management Analyst 8/12/2020

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Spiegel, seconded by Supervisor Hewitt and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: Jeffries  
Date: August 25, 2020  
xc: EO

Kecia R. Harper  
Clerk of the Board  
By   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 200,000	\$ 200,000	\$ 1,000,000	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: Bond Revenue 80% and Dept. Budget 20%</b>			<b>Budget Adjustment: No</b>	
			<b>For Fiscal Year: 20/21-24/25</b>	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

On June 30, 2015 (Item 3-3), the Board of Supervisors approved agreements with Fieldman Rolapp and Associates and Columbia Capital Management, LLC (formerly C.M. de Crinis and Co. Inc) for Financial Advisor Services. The item before the Board is to ratify amendments extending the term of the agreements for an additional five years at the same annual cost of \$100,000 for each vendor.

Amendment No. 1 to the Professional Service Agreement with for C.M. de Crinis and Co. Inc. was executed on July 16, 2018 for a technical change. Amendment No. 2, to the same Agreement was executed on June 4, 2019 for a Consent to Assignment for the name change to Columbia Capital Management, LLC. Both amendments were approved as to form by County Counsel and were signed under the Purchasing Agent's Authority. This is the first amendment for Professional Service Agreement with Fieldman Rolapp and Associates.

The municipal bond-issuance process is accomplished by a team of professionals; the team typically includes municipal (issuer) staff and counsel, bond counsel, disclosure counsel, a banker (underwriter), underwriter counsel, and a financial advisor. Each team member is important for the successful sale of bonds that conform to strict U.S. Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB) guidelines.

The costs associated with contracting for these professional services are typically included in the cost of bonds issued, in which case there is no general-fund cost. Also, costs tend to be quite modest, often less than one quarter of a percent of the bond's sold. The data and tools required to perform at the level of a financial advisor are not cost effective to develop and maintain for any single bond issuer, like Riverside County. By having an independent financial advisor, the client obtains an "economy of scale" without incurring the training, cost, and effort. A bond issuer hires an outside financial advisor (FA) to add value, improve transparency, and decrease the risks associated with what can be the county's single largest transaction in a year.

While County staff has some experience with financial issues, that experience is limited to one county's perspective. A professional financial advisor brings a broader and deeper set of experience. That experience comes from representing a variety of clients that face similar or comparable issues. The financial advisor provides additional assistance and oversight, thus

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

assisting in compliance with various SEC and MSRB rules. Avoiding material omissions or misstatements in public offerings reduces county liability.

A professional financial advisor brings an objective perspective that is vital for a complex government. The advisor is focused on the county's long term needs as well as those that can instantly arise in a staff environment.

A central function of a financial advisor is to help the County obtain the best results it can in the market and document its efforts and results for future review.

The benefit received from adding a financial advisor to the county's team is so widely accepted that all California counties actively issuing debt do so. Counties with financial advisors include: Los Angeles, Orange, San Bernardino, San Diego, Ventura, Imperial (when they issue debt), San Luis Obispo, Santa Barbara (infrequent issuer), San Benito, Santa Cruz, Monterey (on an issue by issue basis), Fresno, Kern, Merced, Kings, Stanislaus, Mariposa, Sacramento, El Dorado, Amador, San Joaquin, Madera, Inyo, Tulare, Calaveras, San Francisco, Alameda, Contra Costa, Sonoma, Napa, Solano, San Mateo, Santa Clara, Placer, Yuba, Siskiyou, Trinity, Yolo, and Marin.

The County requires financial advisor services for short-term and long-term lease financings, general financial advisement on complex financial matters, aid with annual cash flow financings (TRANS and Teeter), assistance with the Pension Advisory Review Committee, and other specialized financial services that may occur.

The financial advisors will assist the County in preparing and evaluating Requests for Proposal to bring issues to market, assemble financing teams which include bond counsel, disclosure counsel, underwriter services, trustee, rating agencies, credit enhancement firms, verification agent, and other professionals as required. In addition, they make recommendations based on the proposals and assist in negotiating fees on behalf of the County.

The financial advisor services will include advising on the size and timing of bond sales, structuring of sales on a competitive versus negotiated basis, bond maturity schedules, call premiums, provisions for the handling and investment of bond funds, use of credit enhancements, cash funded reserve versus surety, closing instructions, and other matters which may assist in obtaining the lowest practical interest cost and the widest competition for purchase of bonds. Where practical, the financial advisors will assist county staff in increasing their involvement in the bond issuance process, ultimately decreasing the role and cost of the financial advisors.

**Contract History and Price Reasonableness**

The department sought and received Single Source Justification (SSJ) approval (SSJ#21-029 Fieldman/Rolapp and SSJ#21-030 Columbia Capital Mgmt.) as these vendors continue to provide excellent cost-effective services. Continuity of service is important, as these matters can

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

be very complex. Having historical knowledge of and trust by the County is imperative. In addition, both vendors have agreed to maintain their pricing over the next five years.

The initial agreements were through a Request for Proposal (RFP) EOARC-034. On June 30, 2015 (Item 3-3), the Board of Supervisors approved the department's recommendation to split the award between two vendors in order to have the option to have vendors specialize in various general tasks, for example financings, debt advisory, and various board/committee representation.

**Impact on Citizens and Businesses**

Use of financial advisors will provide the citizens of the County greater confidence in sound debt issuance practices.

**ATTACHMENTS:**

Amendment No. 1 to Professional Service Agreement with Fieldman, Rolapp & Associates  
Amendment No. 3 to Professional Service Agreement with Columbia Capital Management, LLC  
SSJ # 21-029  
SSJ # 21-030

  
Tina Grande, Assistant Purchasing Director 8/12/2020

  
Don R. Kent, Assistant CEO-County Finance Officer 8/13/2020

  
Gregory J. Priamos, Director County Counsel 8/13/2020

COUNTY OF RIVERSIDE  
AMENDMENT NO. 3 TO THE AGREEMENT  
WITH

Columbia Capital Management, LLC

Original Contract Term: June 30, 2015 through July 31, 2020  
Contract Term Extended To: July 31, 2025  
Effective Date of Amendment: August 1, 2020  
Original Annual Maximum Contract Amount: \$100,000  
Amended Annual Maximum Contract Amount: \$100,000  
Contract ID: EOARC-91849-002-07/20

The Professional Service Agreement between County of Riverside (COUNTY) and Columbia Capital Management, LLC, a Missouri limited liability company, (CONTRACTOR), originally entered into with CONTRACTOR's predecessor, C.M. de CRINIS & CO, INC, on June 30, 2015, first amended on July 1, 2018, second amended on May 21, 2019, is hereby amended as follows:

1. Section 2.1 Period of Performance is deleted in its entirety and replaced with the following: This Agreement shall be effective August 1, 2020 through July 31, 2025, unless terminated earlier. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the COUNTY for a non-cancelable multi-year agreement.

2. All other terms and conditions of the Agreement not modified herein shall remain unchanged.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Amendment.

COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

By: V. M. Perez  
V. Manuel Perez, Chairman  
Board of Supervisors  
Dated: AUG 25 2020

Columbia Capital Management, LLC  
100 North Brand Boulevard  
Suite 605  
Glendale, California 91203  
By: Jeff White  
Name: Jeff White  
Title: Managing Director  
Dated: 8/11/20

ATTEST:

Kecia Harper  
Clerk of the Board

By: Priscilla Ross  
Deputy

APPROVED AS TO FORM:  
Gregory P. Priamos  
County Counsel

By: Synthia M. Gunzel  
Synthia M. Gunzel,  
Chief Deputy County Counsel

RFP# EOARC-034 and SSJ #  
August 24, 2020  
Form #116-311 Revision Date: 01/13/2016

County Executive Office  
4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, CA 92501

COUNTY OF RIVERSIDE  
AMENDMENT NO. 1 TO THE AGREEMENT  
WITH

Fieldman, Rolapp & Associates

Original Contract Term: June 30, 2015 through July 31, 2020  
Contract Term Extended To: July 31, 2025  
Effective Date of Amendment: August 1, 2020  
Original Annual Maximum Contract Amount: \$100,000  
Amended Annual Maximum Contract Amount: \$100,000  
Contract ID: EOARC-91849-001-10/20

The Professional Service Agreement between County of Riverside (COUNTY) and Fieldman, Rolapp & Associates, a California corporation, (CONTRACTOR), originally entered into on June 30, 2015 is amended as follows:

1. Section 2.1 Period of Performance is deleted in its entirety and replaced with the following: This Agreement shall be effective August 1, 2020 through July 31, 2025, unless terminated earlier. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside COUNTY Board of Supervisors is the only authority that may obligate the COUNTY for a non-cancelable multi-year agreement.

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COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

By: V. Manuel Perez  
V. Manuel Perez, Chairman  
Board of Supervisors  
Dated: AUG 25 2020

Fieldman, Rolapp & Associates, Inc.  
19900 MacArthur Blvd # 1100,  
Irvine, CA 92612

By: Anna V. Sarabian  
Name: Anna V. Sarabian  
Title: Vice-Chairperson/Sr. Vice President  
Dated: August 10, 2020

ATTEST:

Kecia Harper  
Clerk of the Board

By: UPRISODIA KEST  
Deputy

APPROVED AS TO FORM:

Gregory P. Priamos  
County Counsel

By: Synthia M. Gunzel  
Synthia M. Gunzel,  
Chief Deputy County Counsel

COUNTY OF RIVERSIDE  
EXECUTIVE OFFICE

GEORGE A. JOHNSON  
COUNTY EXECUTIVE OFFICER



LISA BRANDL  
CHIEF OPERATING OFFICER

DON KENT  
ASSISTANT COUNTY EXECUTIVE OFFICER  
COUNTY FINANCE OFFICER

Date: 7/31/20  
From: Don Kent, Assistant CEO/County Finance Officer  
To: Board of Supervisors/Purchasing Agent  
Via: Tina Grande, x57550  
Subject: Sole or Single Source Procurement; Request for Financial Advisor Services

The below information is provided in support of my Department requesting approval for a sole or single source. (*Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole or single source.*)

1. **Supplier being requested:** Columbia Capital, Inc. and Fieldman, Rolapp and Associates
2. **Vendor ID:**
3.  **Single Source**                       **Sole Source**  
(*Single Source - is a purchase of a commodity or service without obtaining competitive bids although more than one source is available*)  
  
(*Sole Source - is a purchase of a commodity or service that is proprietary, or no other vendor is qualified or willing to meet the county specified requirements*)
4. **Have you previously requested and received approval for a sole or single source request for this vendor for your department?** (*If yes, please provide the approved sole or single source number.*)

Yes                                       No

- 4a. **Was the request approved for a different project?**

Yes                                       No

5. **Supply/Service being requested:**  
(*If this request is for professional services, attach the service agreement to this sole source request. The Purchasing Agent, or designee, is the signing authority for agreements unless the service is exempted by Ordinance 459, Board delegated authority or by State law. All insurance requirements must be met prior to work commencement. See the Risk Management website for vendor insurance requirements.*)

The County requires financial advisor services for short and long-term lease financings, general financial advisement on complex financial matters, aid with annual cash flow

financings (TRANS and Teeter), assistance with the Pension Advisory Review Committee, and other specialized financial services that may occur.

6. **Unique features of the supply/service being requested from this supplier.** *(If this sole source request is due to proprietary software or machinery, or hardware, provide a supporting letter from the manufacturer. If this is a single source request provide an explanation of how this provides the best value for the County by selecting this vendor.)*

The data and tools required to perform at the level of a Financial Advisor are not cost effective to develop and maintain for any single bond issuer, like Riverside County. By having an independent financial advisor, the county obtains an "economy of scale" without incurring the training, cost, and effort. These vendors add value, improve transparency, and decrease the risks associated with what can be the county's single largest transaction in a year. The service these vendors provides are specific to Riverside County. They have specific historical knowledge of the county and can provide continuity of services which is imperative to the overall financial wellbeing of the County.

7. **Reasons why my department requires these unique features from the vendor and what benefit will accrue to the county:**

While County staff has some experience with financial issues, that experience is limited. These firms provide additional assistance and oversight, thus assisting in compliance with various SEC and MSRB Rules. Avoiding material omissions or misstatements in public offerings reduces county liability. In addition, both vendors have agreed to maintain their pricing over the next five years.

8. **Period of Performance:** From: August 2020 to August 2025  
(total number of years)

Is this an annually renewable contract?  No  Yes  
Is this a fixed-term agreement:  No  Yes

*(A fixed-term agreement is set for a specific amount of time; it is not renewed annually. Ensure multi-year fixed-term agreements include a cancellation, non-appropriation of funds, or refund clause. If there is no clause(s) to that effect, then the agreement must be submitted to the Board for approval. No exemptions shall apply.)*

9. **Identify all costs for this requested purchase. In addition, please include any single or sole source amounts previously approved and related to this project and vendor in the section designated below for current and future fiscal years. You do not need to include previous fiscal year amounts. If approval is for multiple years, ongoing costs must be identified below. If annual increases apply to ongoing costs such as CPI or other contract increases, provide the estimated annual cost for each consecutive year. If the annual increase may exceed the Purchasing Agent's authority, Board approval must be obtained.** *(Note: ongoing costs may include but are not limited to subscriptions, licenses, maintenance, support, etc.)*



Description:	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	Total
One-time Costs:						
Financial Advising (max)	200,000	200,000	200,000	200,000	200,000	1,000,000
Ongoing Costs:						
(Insert description)						
Total Costs	200,000	200,000	200,000	200,000	200,000	1,000,000


Note: Insert additional rows as needed

**10. Price Reasonableness:** (Explain why this price is reasonable or cost effective – were you provided government discounted pricing? Is this rate/fee comparable to industry standards?)

The fees were negotiated in the RFP from 2015 and the vendors are willing to extend the same pricing for an additional five years.

**11. Projected Board of Supervisor Date (if applicable):** 8-25-20

(Draft Form 11s, service agreement and or quotes must accompany the sole source request for Purchasing Agent approval.)


Don Kent
08-03-2020

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Department Head Signature
Print Name
Date

(or designee)

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**The section below is to be completed by the Purchasing Agent or designee.**  
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Purchasing Department Comments:

**Approve**

**Approve with Condition/s**

**Disapprove**

Condition/s:

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Not to exceed:

**One-time** \$ \_\_\_\_\_

**Annual Amount** \$ 100,000 / per fiscal year through 7/31/2025 (date)  
 (If Annual Amount Varies each FY) EACH VENDOR.

FY \_\_\_\_\_ : \$ \_\_\_\_\_  
 FY \_\_\_\_\_ : \$ \_\_\_\_\_

FY \_\_\_\_\_ : \$ \_\_\_\_\_  
FY \_\_\_\_\_ : \$ \_\_\_\_\_  
FY \_\_\_\_\_ : \$ \_\_\_\_\_

[Signature]  
Purchasing Agent  
ASST. DIRECTOR

9/4/2020  
Date

21-029-FIELDMEN  
Approval Number  
(Reference on Purchasing Documents)  
21-030-COLUMBIA

COUNTY OF RIVERSIDE  
EXECUTIVE OFFICE

GEORGE A. JOHNSON  
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Yes                                       No

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(total number of years)

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9. **Identify all costs for this requested purchase. In addition, please include any single or sole source amounts previously approved and related to this project and vendor in the section designated below for current and future fiscal years. You do not need to include previous fiscal year amounts. If approval is for multiple years, ongoing costs must be identified below. If annual increases apply to ongoing costs such as CPI or other contract increases, provide the estimated annual cost for each consecutive year. If the annual increase may exceed the Purchasing Agent's authority, Board approval must be obtained. (Note: ongoing costs may include but are not limited to subscriptions, licenses, maintenance, support, etc.)**

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Note: Insert additional rows as needed

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**11. Projected Board of Supervisor Date (if applicable):** 8-25-20

(Draft Form 11s, service agreement and or quotes must accompany the sole source request for Purchasing Agent approval.)

Don Kent

08-03-2020

  
 Department Head Signature  
 (or designee)

Print Name

Date

The section below is to be completed by the Purchasing Agent or designee.

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Condition/s:

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Not to exceed:

One-time \$ \_\_\_\_\_


Annual Amount \$ 100,000 / per fiscal year through 11/31/2025 (date)

(If Annual Amount Varies each FY) EACH VENDOR.

FY \_\_\_\_\_ : \$ \_\_\_\_\_

FY \_\_\_\_\_ : \$ \_\_\_\_\_

FY \_\_\_\_\_ : \$ \_\_\_\_\_  
FY \_\_\_\_\_ : \$ \_\_\_\_\_  
FY \_\_\_\_\_ : \$ \_\_\_\_\_

  
Purchasing Agent  
P.S.T. Director

04/2020  
Date

21-029-FIELDMEN  
Approval Number  
(Reference on Purchasing Documents)  
21-030-COLUMBIA