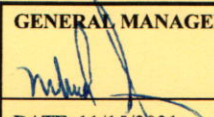
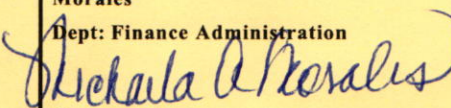
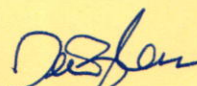
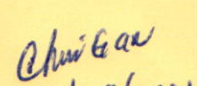
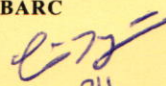




EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:  11/24/21		GENERAL MANAGER ACTION REQ'D:		
DATE: 11/15/2021		BOARD INITIATED ITEM: Yes		
Originator/Prepared by: Michaela Morales Dept: Finance Administration  Signature/Date: 11/19/2021	General Counsel  11/19/2021 []	Controller/Treasurer  11/19/2021 []	District Secretary []	BARC  For PH 11/22/21 []

Award of Agreement No. 6M2081 for Ad Hoc Financial Advisory Services

PURPOSE:

Authorize the Controller-Treasurer to award Agreement No. 6M2081 for Ad Hoc Financial Advisory Services to Sperry Capital, Inc. for a term of three years, from fiscal year 2022 to fiscal year 2024, with two options to extend the Agreement, with each option, for one additional year.

DISCUSSION:

The District expects to need financial advisory consultant services in upcoming fiscal years to assist in the organization and coordination of all aspects of BART's general obligation and sales tax revenue debt financing programs, including evaluating the effectiveness of the bond pricing for each bond issuance, and to provide the District with other ad hoc general financial advisory services as needed.

Under the terms of Agreement No. 6M2081, the consultant will be required to provide the District with general financial advisory services, reimbursable on an hourly basis, upon request of BART's agreement manager. In addition, the consultant will be required, upon request by BART, to provide transaction based bond issuance services reimbursable on a fixed flat fee per transaction basis.

On October 6, 2021, RFP No. 6M2081 was posted on the BART Procurement Portal and 129 prospective Proposers were invited to respond to the District's requirement for Ad Hoc Financial Advisory Services. A pre-proposal conference was held on October 19, 2021, with representatives from 4 companies in attendance.

On November 2, 2021, one (1) Proposal was received from Sperry Capital, Inc., Sausalito, California.

The Proposal was reviewed by a Selection Committee ("Committee") consisting of staff from the Controller-Treasurer/Finance Department, Office of Civil Rights, Orrick, Herrington & Sutcliffe, LLP (District's bond counsel) and Contract Management (in a non-voting capacity). The Proposal was first reviewed for responsiveness to the requirements of the RFP. The submittal was found responsive.

Subsequently, the Proposal was evaluated on the basis of the criteria contained in the RFP with respect to technical qualifications of the proposing firm, key personnel, and depth of resources and transportation experience in the debt issuance and other financial transactions as specified in the RFP. The Price Proposal was subsequently reviewed. The District then evaluated not only the price of the Proposal submitted, but also other criteria which when assessed together, assisted in the evaluation process. The Selection Committee unanimously determined that Sperry Capital, Inc. has met the District's need and the proposed price is reasonable.

Pursuant to the District's Non-Federal Small Business Program, the Office of Civil Rights (OCR) set a 5% Small Business Prime Preference for this Agreement for Small Businesses (SB) certified by the California Department of General Services (DGS). Sperry Capital, Inc. is a certified SB, making it eligible for the 5% Small Business Prime Preference for this Agreement for evaluation purposes.

Pursuant to the District's Non-Discrimination Program for Subcontracting, the Availability Percentages for this Agreement are 8.4% for MBEs and 5.7% for WBEs. Sperry Capital, Inc. will not be subcontracting any portion of the Work and therefore, the provisions of the District's Non-Discrimination Program for Subcontracting do not apply.

Accordingly, the Committee recommends award of Agreement No. 6M2081 to Sperry Capital, Inc. The Office of the General Counsel will approve the Agreement as to form.

FISCAL IMPACT:

Funding for hourly financial advisory services for FY 2022 are included in the operating budget of the Controller-Treasurer's Office. Funding for each subsequent year will be included in the future operating budgets of the Controller-Treasurer's Office, subject to Board approval. The total estimated cost for hourly financial advisory services is \$450,000 for three years, covering fiscal years 2022, 2023 and 2024, and will be charged to cost center 0301301, account number 681354 - Financial Advisor Fees, with two options to extend the Agreement for one additional year (fiscal year 2025 and 2026) with each option year for an amount not to exceed \$150,000 per year. The financial advisory transaction-based fixed fees relating to bond issuance will be paid out of bond proceeds.

ALTERNATIVES:

The District could reject the proposals and re-solicit new proposals.

RECOMMENDATION:

It is recommended the Board adopt the following motion:

MOTION:

The Controller-Treasurer is authorized to award Agreement No. 6M2081 to Sperry Capital, Inc. to provide Ad Hoc Financial Advisory Services for a term of three-years, in the amount not to exceed \$450,000 for hourly services over the three year term, with two options to extend the Agreement for one additional year each, in an amount for hourly services not to exceed \$150,000 per each option year, subject to availability of funds and compliance with the District's protest procedures.