



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 12/6/2016

Agenda Placement: 6K

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Jeffrey Richard for Minh Tran - County Counsel
County Counsel

REPORT BY: Jeffrey Richard, Chief Deputy County Counsel - 253-4234

SUBJECT: Approval of engagement of the law firm of Stradling Yocca Carlson & Rauth for specialized bond counsel services

RECOMMENDATION

County Counsel requests approval of and authorization for the Chairman to sign an agreement with Stradling Yocca Carlson & Rauth, a Professional Corporation, for a maximum of \$25,000 for the term December 6, 2016 through June 30, 2017, with automatic annual renewal, for specialized legal advisory services in connection with the County's role, assistance and cooperation with dependent special districts on bond financing issues.

EXECUTIVE SUMMARY

Stradling Yocca Carlson & Rauth is a law firm based in Orange County, California. Stradling and its principal Robert J. Whalen are well known in the field for their expertise in bond finance issues and have previously provided bond counsel services to Napa County and to the Lake Berryessa Resort Improvement District ("LBRID") on such issues. The County requires specialized advice in connection with the County's role, assistance and cooperation with dependent special districts on bond financing issues.

The firm is not a local vendor, as no firm in this area offers the specialized expertise of Stradling and Mr. Whalen, which is required for this assignment.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Appropriations are available in the County Counsel budget unit. The

engagement would be for a maximum of \$25,000 per fiscal year, with automatic annual renewals. Most of the presently anticipated services will be performed in fiscal year 2016-2017 but there is no assurance that all of the necessary work will be finished by June 30, 2017, thus the need for automatic renewals.

Is it Mandatory or Discretionary? Discretionary

Discretionary Justification: Stradling offers specialized expertise in the area of bond finance issues and has pertinent experience with and knowledge of past bond issuances by one or more dependent special districts, which will be the focus of the required legal analysis.

Is the general fund affected? Yes

Future fiscal impact: The engagement would be for a maximum of \$25,000 per fiscal year, with automatic annual renewals. Most of the presently anticipated services will be performed in fiscal year 2016-2017 but there is no assurance that all of the necessary work will be finished by June 30, 2017. Thus, the possibility exists that additional services will be required in fiscal year 2017-2018, but it is presently difficult to estimate the cost of such services.

Consequences if not approved: The County would be faced with making choices in connection with its possible participation in special district financing without the benefit of such specialized insight and advice.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Stradling and one of its shareholders, Robert J. Whalen, served as bond counsel on a 2007 bond issuance by the Lake Berryessa Resort Improvement District. The firm and particularly Mr. Whalen are recognized for their expertise in bond finance issues. The analysis of the legal issues that may arise from, or affect the advisability of, the County's participation in or support to dependent special districts in facilitating such bond financing or re-financing requires familiarity with complex issues of state and federal securities law. Thus, County Counsel requests and recommends that the Board authorize the engagement of the Stradling firm for provision of such specialized advice and services as such issues are anticipated to arise.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Helene Franchi